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AUTHOR	Hallak, Jacques; Poisson, Muriel
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ABSTRACT

This book summarizes the findings of a research workshop organized by the International Institute for Educational Planning on ethics and corruption in education. It makes a case for addressing the issue of corruption in education based on the experiences of the various participants of the workshop, representatives of various countries and agencies. The first chapter provides background on the workshops and the issue of corruption in education. It presents reasons for the relevance of corruption in the education sector; a number of definitions of corruption; and a conceptual framework based on a typology of the main areas of planning and management that offer opportunities for corruption in education and that identifies corrupt practices and their impact. The second chapter summarizes the discussions as they took place during the workshop, including a summary of the debates held from the questions raised. The third chapter presents the results of a survey of 33 organizations and agencies particularly active in the fight against corruption. The object of the survey was to collect information about the projects and activities developed by these bodies on the issue of corruption, the approaches they followed, and the lessons they drew. (WFA)

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IIEP observation programme

Policy Forum No. 15

Ethics and corruption in education

Results from the Expert Workshop held at the IIEP

Paris, 28-29 November 2001

Jacques Hallak and Muriel Poisson

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International Institute for Educational Planning

Forum on Education No. 15

Ethics and corruption in education

Results from the Expert Workshop held at the IIEP Paris, 28-29 November 2001

Jacques Hallak and Muriel Poisson

International Institute for Educational Planning

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CONTENTS

		Pages
Executive summary		7
I.	Introduction	11
II.	Background document	13
III.	Summary of the discussions	43
IV.	Survey outcomes	103
V.	Annotated bibliography (initial selection)	127
Appendix I.	Comments on corruption	179
Appendix II.	List of participants	183

EXECUTIVE SUMMARY

The report presents the outcomes of an expert workshop organized by the IIEP between 28 and 29 November 2001 on the following topic: "Ethics and corruption in education". It consists of three chapters, an annotated bibliography of a set of 80 documents, and two appendices, one giving the outline of the opening speech made by the IIEP Director, Mr Hernes, and the other a list of the workshop participants.

The *first chapter* consists of the background document prepared by the IIEP for the workshop. The introductory section gives reasons for the relevance of the issue of corruption for the education sector: the size of the education budget, the number of actors involved in educational activities, the monopoly exercised by public education in most countries and the existence of a discretionary interface between public officers and private operators within that field. The second section reviews a number of definitions of corruption and retains the following: "the systematic use of public office for private benefit whose impact is significant on access, quality or equity in education". In the third section, an attempt is made to produce a conceptual framework based on a typology of the main areas of planning/management that offer opportunities for corruption in education, an identification of different corrupt practices likely to crop up in each of these areas (including favouritism, bypassing of criteria, embezzlement...) as well as the possible impact of these practices on access, equity, quality and ethics. The following section describes and discusses the diagnosis methodologies to be used, drawing on the experience gained by some agencies, namely opinion or perception surveys, (hard) data collection surveys, and

participatory diagnoses. The fifth section, based on a review of the existing literature, presents the approaches to be considered by the IIEP, emphasizing the 'integrative approach' developed by the World Bank which combines legal-judiciary reforms; administrative and civil service reforms; educational public expenditures and financial management reforms; and societal reforms. In the last two sections, the activities proposed by the IIEP are introduced and described: they include the preparation of state-of-the-art papers on topics of particular relevance (on decentralization of education systems, on academic fraud); comparative studies (on teachers' codes of practice); monographs (on textbook production and distribution, on the management of teachers, on private tutoring); and a pilot case study on the diagnosis of corruption.

The *second chapter* summarizes the discussions as they took place during the workshop. The first part deals with the 'show and tell' session during which each participant reported on his or her experience. A certain amount of factual evidence was cited: for example, in Mexico, corruption today is estimated at around 15 per cent of the GNP. In Ghana and Nigeria, corruption is said to be linked with problems of school admission, of payment of salaries, and of leakage of questions before examinations. In South Africa and Pakistan, fictitious schools, teachers and pupils were found to be registered. In Hong Kong, an anti-corruption commission was established in 1973 which comprises a sub-committee on education that deals, in particular, with inappropriate allocations of funds and inadequate professional practice of teachers. Activities of different agencies are described in this part, including those of the Asian Development Bank and the World Bank, Transparency International, UNICEF and OECD. The following section provides a summary of the debates that were held from the questions raised in the background document: on the cost of corruption in education (suggesting to

increase the cost to the beneficiaries), the definitions (exploring ways to correlate corrupt practices and educational planning and management issues), the conceptual framework (questioning the relevance of the concept of 'best practices') and the methodologies to be used (highlighting for example the issue of reliability and accuracy of the data collected). On the whole, the discussions enabled to emphasize the timeliness of the IIEP project, given the recent changes observed in the perception of corruption, the new challenges set by sector management and the pressure exerted by international aid agencies. The third part deals with the activities proposed and provides further suggestions for the terms of reference of each activity being considered by the project.

The *third chapter* presents the outcomes of a survey carried out by the IIEP on the basis of a short questionnaire sent to 33 organizations (multilateral and bilateral agencies, development banks and NGOs) – as part of the preparation of the Institute's new project on "Ethics and corruption in education". The definitions of corruption used by different organizations are reported. The chapter then summarizes in three tables: (i) the main categories of activities led by the various bodies surveyed (database, norms, advocacy, research, good practices, assessment, policy dialogue, funding, training, partnership/networking and in-house codes of behaviour); (ii) the countries targeted by the projects that they develop; and (iii) a list of illustrative examples of activities developed in the educational field, within this framework (computerization of examination processes; public opinion surveys; training teachers in ethics; investigation and prosecution of corrupt practices; participatory diagnosis; tracking surveys of expenditures allocated to schools, etc.). In a final section, some suggestions and recommendations for the IIEP project are provided concerning its scope (an emphasis on both theory and practice); areas of interest (e.g. financial planning and accountability

in the context of SWAPs); modalities (an integrated approach); procedures (stressing communication, information and training) and best practices (for example, "revise the educational civil service hiring and employment conditions accompanied by increased competition for posts, better remuneration and the creation of an ombudsman"; and "implement an independent monitoring unit, to ensure the adequate follow-up of a project or programme in the field").

I. INTRODUCTION

The IIEP organized a workshop from 28 to 29 November 2001 to advise it in the design, methodologies and implementation of its new research programme dealing with "Ethics and corruption in education" – particularly on its first phase (2002-2003).

About 15 people were invited to attend, namely: representatives from international organizations involved in anti-corruption programmes (e.g. OECD, the World Bank, Transparency International); experts in methodologies of diagnosis and audits, used either in the field of education (ADEA), or in the specific sphere of corruption (the Asian Development Bank); and people having an intimate knowledge of the main features characterizing corruption in the domain of education, in the case of particular countries (Hong Kong, Mexico, etc.). The list of participants can be found in *Appendix II*.

Participants in the workshop were asked to study carefully a working document prepared by the IIEP, reflecting in the first part on the possible definitions of corruption in education, on a 'menu of opportunities for corruption' in the education sector, on the approaches that appear most promising as regards both the diagnosis of the phenomenon as well as the way to combat it; and describing in the second part the methods to be followed in the implementation of each component constituting the first phase of IIEP's programme on corruption.

More specifically, participants were invited:

- to review suggested methodologies, with a specific emphasis on methodologies aiming at carrying out audits and surveys;

- to provide insights on the modalities of securing approvals from Member States for carrying out studies;

- to advise on the terms of reference of the various activities proposed (thematic studies, monographs and a methodological case study); and

- to make recommendations on the choice and selection of countries/experiences; and to propose names of consultants.

This book includes the background document used as a basis for the debates, together with a summary of the discussions that took place during the meeting. The outline of the opening speech made by the IIEP Director, Mr Hernes, can be found in *Appendix I*. This publication also includes a presentation of the outcomes of an IIEP-led survey, as well as an annotated bibliography on the issue of corruption, carried out in preparation of the workshop.

II. BACKGROUND DOCUMENT

1. The cost of corruption in education

Several studies conducted during the past decade have clearly emphasized the negative impact of corruption on the economic, political and social development of countries. It has been observed that corruption increases transaction costs, reduces the efficiency and quality of services, distorts the decision-making process, and undermines social values. Recent surveys conducted on the impact of corruption on the provision of social services – including education – thus suggest, for instance, that illegal payments for school entrance and other hidden costs help explain low school enrolment and high drop-out rates in developing countries (CIET, 2001; Cockroft, 1998); and that bribes and pay-offs in teacher recruitment and promotion tend to lower the quality of public-school teachers.

Even though it appears quite difficult to evaluate with precision the magnitude of corruption in various sectors, it may be assumed that it is not a marginal phenomenon. Education, for instance, appears to be affected in two ways by corruption:

(a) On the one hand by the pressure it exerts on public resources, and, as a consequence, on the education budget – which represents, in most countries, the largest (or second-largest) component of public expenditures. According to a study whose results were published in 1996 (Roy, 1996), the income generated in India from "all activities, legal and illegal which are hidden from the fiscal authorities", would thus amount to about 20 per cent of the GDP of the country (1980-1981 figures); and

(b) on the other hand, by its impact on the costs of education services, on their volume, as well as on their quality. Gupta (2000) gives the example of a country in which only 16 per cent of children actually received textbooks, despite the significant financial efforts made by public authorities to provide each child with his/her own learning materials.

In fact, the size of the educational budget, the number of actors involved in educational activities, the monopoly exercised by public education in most countries, the existence of a discretionary interface between public officers and private operators within the educational field, etc. are all factors that certainly entail numerous transactions between the state, in its status of patron, and its clients – the risk being that the most deserving are not necessarily the ones that will have access to public educational resources in priority.

Among the main factors leading to corrupt behaviour, one can mention poverty and the low salaries earned by public officials and civil servants. It thus seems that the poorer a country, the higher the level of petty corruption; in very poor countries, petty corruption (which refers to both the size of the financial transaction and the size of the obligation that the transaction buys) is sometimes considered as a normal pattern of behaviour or as a norm for buying services (this is not the case for grand corruption, which can be found everywhere and is generated and maintained at a high level of decision-making in the power structure of different societies). But the existing literature on the subject shows that corruption also has connections with the stability of political systems, the existing legal frameworks, the transparency of public information, the level of accountability of individuals and institutions, the efficiency of the mechanisms of governance in place, the importance and characteristics of foreign aid, etc.

A cursory review of the literature suggests that there are very few documents available dealing in a comprehensive and systematic manner with the various aspects of corruption that exist in the field of education. Yet, it is clear that the fight against corruption in the specific sphere of education should be regarded as a major priority as it affects not only the volume of educational services, as well as their quality and efficiency – and, subsequently, educational outcomes – but also equity in education and public confidence in education systems. What is more, the burden of corruption, measured as the fraction of income paid in bribes, is much greater for poorer households. In this respect, educational planners are faced with an important challenge: namely, to develop innovative ways of building effective, accountable and transparent systems that are able to deliver services both efficiently and equitably. Against this background, the International Institute for Educational Planning has decided to launch a new research project, devoted to "Ethics and corruption in education", whose main objective will be *to improve decision-making and the management of education systems by integrating governance and corruption concerns in educational planning and administration methodologies.*

In spite of the fact that the IIEP has been involved during recent years in conducting several audits on the management of the education sector, the issue of corruption has never been specifically addressed, and requires new approaches and even new partners. Consequently, the Institute has decided to organize a workshop, with the aim of generating fruitful debate on the optimal design, methodologies and execution of this new research project – particularly as concerns the first phase of implementation (2002-2003). Some of the main points that should be tackled during the workshop are introduced below.

2. Definitions

In a document summarizing the main outcomes of a research project undertaken on corruption in customs administration, Hors (2001) makes a distinction between the *opportunity* for corruption and the *rationale* of the actors in seizing that opportunity, their *logic of action*. She explains that the opportunity for corruption refers to those defects in the customs administration that have contributed to creating opportunities for corruption, whereas the rationale of actors has to do with the personality of the latter, and, more importantly, with the broader social environment in which they operate. It is proposed to limit IIEP's new research project to the study of the opportunities for corruption that exist within the education sector - and thus, to set aside the logic of action of educational planners, either at central, regional or local level, or of headteachers, teachers, etc. It is felt that this would only lead to 'individual stories', which would not prove significant, and to the description of the particular political, economic and social conditions in which those engaging in corruption have behaved, which would help understand how people use corruption to provide for basic needs, but may not help design appropriate actions to remedy it.

Corruption is defined in various ways in the literature. One can imagine that the main characteristics of corruption in the education sector are common to those of other public sectors and, thus, can be defined as 'the use of public office for private gains'. This covers a wide range of activities, such as: clientelism, soliciting or extortion of bribes, nepotism, theft of public goods, etc. An interesting definition establishes a link between the identification of corrupt behaviour and its effects, and insists upon the factor of regularity involved, by saying that corruption can be presented as 'the systematic use of public office for private benefit that results in a reduction in the quality or availability of public goods and services'. When applied

to the particular field of education, this may lead to the following definition of corruption: 'the systematic use of public office for private benefit whose impact is significant on access, quality or equity in education'.

Some of the definitions of corruption make useful distinctions between petty (already defined above) and grand corruption (which is the domain of high-level public officials and politicians who make decisions involving large public contracts or projects). Applied to the field of education, this would mean distinguishing between those civil servants who, because of their strategic position in the management of the education sector, may be involved in grand corruption (particular attention could be paid to those who are in contact with foreign aid, where the amounts of money concerned could encourage corrupt behaviour); and those who, because of their limited influence on the management of the education system and, more specifically, on its resources (such as teachers) may be involved only in petty corruption. It may be recalled that grand corruption is likely to be found mostly at the national level, but that in the case of decentralized education systems, it can involve both national and local actors; the same concerns countries where international flows of aid are targeted at local level.

One of the problems that may crop up when implementing the project is to know where to draw the line between corrupt and honest behaviour, in particular because of the importance of sociocultural factors in the perception of corruption. One example, recently submitted to IIEP, is the following: many universities in the USA give preference in admission to the children of alumni – is this a corrupt practice, or is it a proper acknowledgement that a university is a community extending over generations? There is probably a continuum between what should be considered honest and what should be considered corrupt, with the problem being how to define the grey areas between the two.

▸▸ ***Questions to be raised during the seminar:***

- Is the definition given of corruption in education satisfactory? To what extent does it exclude important acts of corruption that would require particular analysis?
- Does this definition enable the building of appropriate linkages between problems of corruption and issues related to educational planning and management?
- Should the project focus on grand corruption, or, rather, on petty corruption, which, when it is developed on a large scale, may have a particularly significant impact on the functioning of education systems?
- Where to set the limit between what should be considered as honest or corrupt behaviour in education?

3. Conceptual framework: a first attempt

All the areas in the field of planning and management are likely to be affected by phenomena of corruption, namely: information systems, the building of schools, recruitment, promotion (including systems of incentives) and appointment of teachers, the supply and distribution of equipment and textbooks, the allocation of specific allowances (fellowships, subventions to the private sector, etc.), examinations and diplomas, out-of-school activities, etc. But the opportunities for corruption within each of these areas are not necessarily the same: they do not involve the same actors; they do not occur with the same frequency; and their global impact on the functioning of the education system is not of similar magnitude - whether such impact relates to financial or human costs, to the efficiency of the system, or to the detrimental effects that corruption can have on ethical values. That is why it is useful to elaborate gradually, through observation, a typology of the main areas where

corruption can occur in education, and also where some reorganization of the management system can help remedy this.

A first attempt to establish a typology of the main areas of planning/management that offer opportunities for corruption in education is presented in *Table 1* below (to be completed during the implementation of the programme). Different types of corrupt practices liable to crop up in each of these areas are given, including favouritism, bypassing of criteria, embezzlement, etc., as well as the possible impact of these practices on access, quality, equity or ethics. In all cases, corrupt practices can of course have a negative impact on ethics – the sense of the word 'ethics' being limited here to the acquisition of ethical values and behaviour by children. A distinction could be introduced, further along in the process, between direct and indirect effects of corruption. For instance, it can be expected that corrupt practices in the field of recruitment, promotion and appointment of teachers as well as their conduct will have the most direct effect on the quality of education. But the other practices mentioned below, in areas such as the building of schools or the supply or distribution of equipment, food or textbooks, will also have indirect effects on quality.

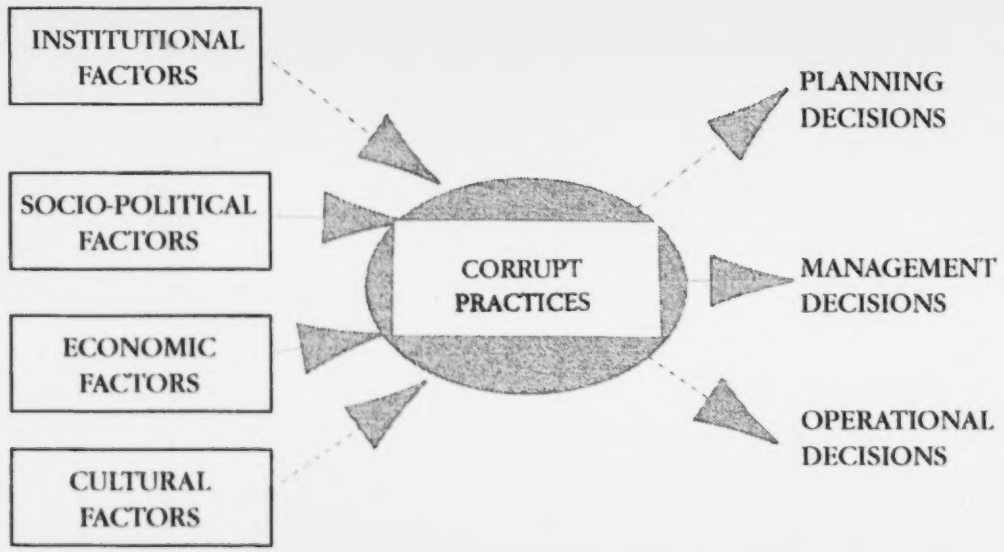
Table 1. Summary of some of the main practices of corruption observed within the education sector, and their possible impact on access, quality, equity and ethics

Areas of planning/management involved	Corrupt practices	Elements of education systems most affected
Building of schools	• Public tendering • Embezzlement • School mapping	Access Equity
Recruitment, promotion and appointment of teachers (including systems of incentives)	• Favouritism • Nepotism • Bribes and pay-offs	Quality
Conduct of teachers	• 'Ghost teachers' • Bribes and pay-offs (for school entrance, for the assessment of children, etc.)	Access Quality Equity Ethics
Supply and distribution of equipment, food and textbooks	• Public tendering • Embezzlement • Bypassing of criteria	Equity
Allocation of specific allowances (compensatory measures, fellowships, subsidies to the private sector, etc.)	• Favouritism • Nepotism • Bribes and pay-offs • Bypassing of criteria	Access Equity
Examinations and diplomas	• Selling of information • Favouritism • Nepotism • Bribes and pay-offs • Academic fraud	Equity Ethics

The IIEP will not be able to cover all the topics referred to in *Table 1* above during the first phase of the implementation of the project. Some priorities will thus have to be set. It is important to focus attention on those practices that have the most harmful effects on any of the four following factors: access, quality, equity, or ethics. However it may prove extremely difficult to assess which corrupt practices have the most prejudicial impact on education: for instance

those that imply the embezzlement of huge amounts of money, e.g. in the case of the purchase and distribution of textbooks; or those that do not necessarily involve large amounts of money, e.g. the bribes and pay-offs required by some teachers for school entrance, but that are widespread and have direct effects not only on quality, but also on access, equity and ethics?

For each of the areas of corruption mentioned above, an effort will have to be made to document the relationship between the corrupt practices being analyzed, the various factors within the institutional, socio-political, economic and cultural environment that can have an influence on those practices, as well as the level of decisions concerned (see the schema below). In particular, the analysis of the relationship between institutional and cultural factors could prove of great interest, as they significantly affect the explicit and implicit system of regulation of the country concerned. It is assumed that the decision-making phase will have an impact both on the nature and the magnitude of corrupt practices. Accordingly, a distinction may have to be introduced between those corrupt practices that come about during planning decisions (corresponding to general policy and long-term orientations), management decisions (whose scope is less broad and whose effects require less time) and operational decisions (which can be defined as daily common decisions, limited in scope, and with immediate effects). Similarly, a distinction may have to be introduced later between programmed decisions (that are repetitive and routine) and non-programmed decisions (that require specific treatment either because their precise nature and structure are elusive or complex, or because of their particular importance).



» ***Questions to be raised during the seminar:***

- Should 'environmental factors' be taken into account when undertaking the research?
- What are the priority areas in the field of planning and management to be taken into consideration as regards corruption?
- Should the IIEP concentrate its efforts on corrupt activities at planning level, at management level, or at operational level? At central, local or school levels?

4. Methodologies

The IIEP can only progress in its knowledge of corruption in the field of education if it succeeds in developing adequate tools that would enable it to find concrete evidence on corrupt phenomena in various contexts, to detect those areas where corruption is concentrated, to identify the activities involved, and to properly assess their magnitude and impact. It has already enhanced its knowledge

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of diagnosis methods during recent years, and it has applied these, in particular, to the area of teacher management. But given the sensitivity of the issue of corruption, it will undoubtedly need to explore new ways of proceeding. The methodologies developed during recent years by a number of actors as regards diagnostic surveys on corruption, should constitute a good starting point. One can refer here to the World Bank Institute, for instance, which has set up a "step-by-step guide to the implementation of the new empirical tools for anti-corruption and institutional reform"; or to the OECD, which has prepared questionnaires for a survey on Managing Ethics in the Public Sector. One of the main challenges for IIEP will be to develop a similar kind of methodology applied to the education sector.

Among the various diagnosis methodologies already set up and implemented by various actors, some appear quite promising. Most of them rely on opinion or perception surveys aimed at various target groups. For instance, in the case of a study led by the University of Glasgow in the Ukraine, Bulgaria, Slovakia and the Czech Republic, more than a thousand junior officials and state employees were interviewed, using quota samples, to get more information on the behaviour of junior officials, criticized for soliciting presents or bribes to solve citizens' problems. However, some authors question the relevance of the information thus collected, sometimes anecdotal, often incomplete, and, consequently, potentially misleading. They put forward the need to collect information in a more systematic way, using multiple approaches and different sources of data. They also emphasize the importance of obtaining 'hard data', in order to be able to quantify corruption, its determinants and its economic and social impact - which appears indispensable to establishing an appropriate baseline against which the successes and failures of future reforms can be measured later on. A set of appropriate instruments, including surveys of the different constituencies concerned and their

interviewing, but also tools for the assessment of the economic and social cost of corruption in education, will thus certainly need to be developed. Some studies already show the way to evaluating the cost of corruption, by, for instance, comparing the price of the same service purchased by different actors; by collecting comparable data on administrative performance; or by establishing linkages between corrupt behaviour and the efficiency of the service delivered, using regression methods.

One major trend highlighted during this preparatory phase of the project, is that the tools being used to diagnose corruption phenomena are to be considered as part of the cure - by mobilizing all the actors implicated in the process, sensitizing them to the issue of corruption, helping them understand the real costs it imposes on society in terms of reduced economic investment and poor delivery of public service, identifying, through discussion, the best approaches to combating corruption successfully, and building consensus for future reforms. The Canadian International Development Agency (CIDA) has provided us with an interesting illustration of it, called the 'People's Voice Project', which aims at assisting three cities in the Ukraine to improve the quality of municipal services and to enhance their level of integrity. It combines 'push and pull' strategies including surveys, public workshops, study tours, training sessions, technical assistance, aimed at supporting civil society in demanding greater accountability from the state while stimulating and assisting the latter to respond to it. The experience of the IIEP in organizing policy workshops could be helpful in building up similar strategies - in particular as regards support for decision-makers in drawing lessons from the information collected during the diagnosis phase and designing appropriate policies accordingly (see 7(a)). But the management of the overall process, targeting both representatives

from the state and from civil society, will certainly have to be considered in a broader context, involving other partners.

The IIEP may have to overcome two major difficulties when implementing the methodologies described above: firstly, to obtain the agreement from countries to undertake audits and diagnoses; secondly, to establish appropriate mechanisms so that the strategies identified at the end of participatory processes are translated into real changes of practices in the long run. One approach envisaged by several actors to address the issue of countries' sensitivity consists of considering problems of corruption over a long period, from a historical perspective, which would reduce the sensitivity of the issue for today's actors. Another approach, which might be more satisfactory, could consist of integrating IIEP's action in the specific field of education within a broader process of reform conducted in the public sector, or under the umbrella of a larger anti-corruption campaign. The network of IIEP alumni belonging to the educational administration could prove to be an important asset within this framework. In addition, as regards the sustainability of the strategies launched, some reflection will have to be devoted to how to institutionalize the process of the data collection set-up, so that information can be updated regularly and the progress realized can be measured; creating 'watchdogs', etc.

» ***Questions to be raised during the seminar:***

- How does one address the issue of the reliability and accuracy of the data collected?
- How does one overcome the reluctance of countries to conduct participatory diagnoses?
- How to articulate IIEP's intervention within broader public-sector reform?

- What partnership could the IIEP consider both at international and at national level to proceed in its fieldwork?
- More specifically, how far can the IIEP rely on the 'clients' of the education sector (the young and their parents) to conduct some of the activities that it has in mind?

5. Approaches

A survey of the literature reveals a rich diversity of global policies that address the challenges of corruption in education, taking into consideration each country's pattern: some specialists propose radical measures of change, such as a complete overhaul of the administration, including a reduction in staff and the redesign of some processes in order to reduce corruption and contribute to good management. Examples can be found in San Salvador, Campo Elias (Venezuela), Limpio (Paraguay) and Porto Allegre (Brazil). Other scholars plead in favour of major reforms, i.e. liberalization, deregulation, privatization, decentralization, etc. that are considered as key tools to limit corruption and improve the accountability of actors. Yet others, having identified the determinating effects of the socio-economic situation of civil servants on corruption and ethics, recommend increasing their remuneration and improving their conditions of living, including health care and housing facilities. But the assessment of the merit of these various policies and their impact on corruption are not always conclusive. This is why a state-of-the-art paper on decentralization and corruption in education (see 7(b)), and a monograph on the recruitment and payment of teachers (see 7(f)) are suggested to be undertaken in the framework of the research.

At the same time, the experience of many agencies dealing with the challenge of addressing corruption in the public sector (in

particular the World Bank), shows that it is appropriate to adopt an 'integrative approach', combining:

(a) *Legal-judiciary reforms:* in order to reduce opportunities for corruption, it is advocated to streamline and simplify administrative rules and procedures in the educational field, and to complement them by introducing appropriate modalities of control (e.g. the creation of an ombudsman or an anti-corruption agency, the establishment of hotlines and whistle-blowers, the setting up of internal audit mechanisms) and sanctions;

(b) *Administrative and civil service reform:* most of these reforms include the definition of standards and targets of service quality (e.g. the development of teachers' codes of practice), the improvement of transparency (e.g. financial disclosure, the computerization of information, in particular the results of examinations, public hearing and oversight), the implementation of objective recruitment and promotion processes as well as the review of existing systems of incentives;

(c) *Reform of public expenditure and financial management in education:* key measures taken in various sectors so as to improve public expenditure and financial management may be successfully applied in the educational field (e.g. the realization of audits, the modification of procurement regulations, the display of information on the transactions carried out, the identification of clear criteria for the allocation of fellowships or public subsidies to the private sector);

(d) *Societal reforms*: the idea here is to go beyond the mechanisms that aim to limit corrupt behaviour, and to bring about a significant change in attitudes (e.g. through civic advocacy

campaigns, education on ethics), improve accountability (e.g. through the development of a sense of loyalty and pride in the service) and mobilize political will (e.g. through investigative journalism, institutional pressure, and public campaigns involving civil society).

The IIEP intends to commission several studies illustrating those of the strategies presented above that are considered particularly promising, namely: the setting up of teachers' codes of practice (see 7(d)), the promotion of transparency in the field of examinations (see 7(c)), and the design of appropriate mechanisms of recognition and financing of private tutoring (see 7(g)).

It may be advisable not to include in the project the study of certain strategies to combat corruption that are common to several sectors, and that may have been or are being analyzed by other bodies, and which can probably be applied successfully to the education sector. However, there are grounds for making exceptions to this general principle. This is the case for market tendering, which is so crucial in the education sector, as regards for instance the production of textbooks or the purchase of educational equipment and materials, that it may be worth keeping it within the scope of the project (see 7(e)). Another example that can be given is the establishment of sector-wide approaches (SWAps) within countries, involving international and national actors, a diversity of rules and procedures, and huge amounts of money, and which can constitute an interesting subject of analysis – even though some actors, such as CIDA, are already working on problems of accountability and SWAps.

» ***Questions to be raised during the seminar:***

- How far should the study of approaches to fighting corruption within the education sector incorporate changes occurring in the public sector at large and in other related sectors?

- For example, how to relate the proposed work on teachers' codes of practice to existing codes of practice of all civil servants?
- Is it meaningful to propose strategies to design policies to combat corruption in education by improving the income of the stakeholders without taking into account the overall policy of income distribution in the country?
- Should we take into account all the aspects linked to public tendering that have already been studied in other sectors?
- Similarly, should we make a reference to the link between corruption and SWAps?

6. Possible contribution of IIEP

The IIEP has prepared a project proposal dealing with "Ethics and corruption in education", whose main objectives are the following:

- to produce a conceptual framework facilitating the analysis of the issue of corruption in education, based on a review of the existing literature, the learning from experiences of agencies active in approaches to combating corruption, and the collection of data related to the education sector from various sources and partners;
- to set up a typology, making a distinction between the various aspects of corruption in the field of education – each of them linked to different actors –, and emphasizing the corresponding areas in the field of planning and management;
- to review and to test possible methodologies to diagnose the origin, the characteristics and the impact of corrupt phenomena in the education sector, building on the experience accumulated by agencies such as the World Bank, USAID or Transparency International in the use of 'participatory approaches to diagnosis';
- to identify 'best practices' and provide guidelines for addressing governance and corruption issues, aimed at some key actors

involved in the functioning of education systems (in particular managers and planners), in order to promote their professional ethics and build their capacity to integrate these concerns in carrying out their tasks; and

- to sensitize senior decision-makers to the need to address corruption/governance concerns, by bringing to their knowledge information on international and national experiences as well as on best practices to improve professional ethics in the management/planning of education systems.

There are four main types of activities that the IIEP would like to include in its project, in order to progress towards the objectives presented above, namely: methodological activities to diagnose the origin, the characteristics and the impact of phenomena of corruption within the education sector, a review of the literature for key topics that have already been examined, the analysis and description of 'best practices' aimed at some key actors involved in the functioning of education systems, and the preparation of comparative studies on issues such as teachers' codes of practice. Detailed terms of reference for each of these activities (all of which have been already introduced above) are to be found in the second part of this document.

Among the various difficulties raised by the implementation of this project is how to conciliate the mandate of the IIEP, which is at the service of UNESCO Member States, with the launching and implementation of specific operations aimed at diagnosing corruption phenomena in specific contexts. The problem is twofold: how to proceed regarding the Institute's own constituencies, and how to proceed in the case of Member States. Other agencies, such as the OECD, have already had to face this problem – even though it may be easier in their case to tackle the issue of corruption as various donor countries have decided to put the issue on their agenda (at

least at the international level). There is certainly a great deal to be learned from their experience.

One question that was already raised earlier, but should be raised again at this stage, is the following: how far Member States will be willing to co-operate? One alternative will certainly be to include the activities proposed by the IIEP within larger operations of sector-wide assessment, or of public-sector reform, or of anti-corruption campaigns - by giving a particular focus, in this framework, on issues of corruption within the education sector. The exact parameters of the Institute's activities within these broader approaches will have to be properly reflected upon.

» ***Questions to be raised during the seminar:***

- Should the IIEP limit its contributions to positive approaches to the problem (through the commissioning of papers on 'best practices' or 'success stories'), or should it try to address the problem of corruption directly by analyzing the main opportunities for corruption within the education system, and making a diagnosis of the system accordingly, etc.?
- Should the IIEP respond to the requests of Member States, or would it be easier for it to implement its action within larger operations, initiated by international partners?
- Are there important activities to be included in IIEP's project, in addition to those already mentioned in Point 7 of this document?

7. Proposed activities

(a) Launching of a pilot methodological case study: "Audit and management of an education system"

Background. A critical step in educational policy formulation and planning is the diagnosis of the sector. So far, very little attention has

been given to corruption concerns in the preparation of such diagnoses.

Scope. The case study will be dealing with the audit of the overall education sector management of a Member State. For practical reasons, it will not cover systematically all components of the sector (i.e. all levels and types of education). But it will pay special attention to the concern of corruption by studying specifically those activities in the educational process that afford special opportunities for civil servants to seek irregular payments, to offer fewer services than required (e.g. teachers' absenteeism), and to sell information (e.g. academic fraud).

Purpose. The main purposes of the study will be (i) to design, test and apply a methodology for auditing different components of the education sector with a particular focus on areas of development of corruption; and (ii) to produce recommendations for the improvement of the efficiency in the management of the sector, in particular by reducing or limiting corruption.

Research approach. The study will draw mainly on two modes of research: the approaches currently in use in conducting sectoral audit (see the IIEP *Fundamentals of Educational Planning* series No. 54); and the approaches followed by Transparency International, the World Bank, the OECD, and some co-operation agencies (such as USAID) in the preparation of anti-corruption diagnosis assessment.

Implementation. The study will be conducted in five phases: (i) a review of the existing documentation; (ii) the agreement on scope and approaches; (iii) the launching of a workshop to share information, to reflect collectively on the education sector, and to discuss the methods for both data collection and analysis; (iv) data collection and analysis; and (v) the organization of a policy workshop

to review the findings and explore different ways of addressing the challenges of reducing barriers to reform, and of building institutional arrangements and incentives to improve the openness and transparency of management of the sector.

Sources of data. The study will draw on existing data and collect special data. Existing data include country reports on the education sector (produced both nationally and by co-operation agencies), and data on corruption (produced by international agencies, in particular Transparency International and the World Bank). According to the scope of the study, survey questionnaires will be developed for management auditing and diagnosis of corruption.

Partners. The study will require the active co-operation of both the national authorities and one or two development agencies (UNDP, the World Bank).

(b) State-of-the-art paper on decentralization in the education system

Background. During the past decade, one of the most significant trends affecting the administration and management of public sectors – and in particular education worldwide – has been decentralization. The rationale and main justification for decentralization is improving efficiency of management by more direct involvement of the actors concerned and reducing the gaps between decision-makers and different stakeholders. Several countries (both developed and developing) have introduced reforms to decentralize their education system. Evaluation studies of the consequences of decentralization produce mixed results: there seems to be both a positive and a negative impact on the management efficiency of the sector. Many observers and students suggest that one of the most pervasive effects of decentralization has been the spread and extension of corruption in the use of educational resources.

Scope. Particular attention will be devoted to the consequences of devolution of decision-making authority from central to local level for some key activities of management of the education sector, e.g. the recruitment and deployment of teachers, the certification of textbooks, the recognition of private institutions, etc.

Purpose. The purpose of this state-of-the-art paper is to review the existing literature and produce a certain amount of factual evidence to document the types of relationship - if any - between corruption and decentralization.

Research approach. While considering actual countries' experiences, best practices for reducing corruption will be identified to draw conclusions for policy-makers and reformers.

Implementation. A consultant will be identified to design the scope, coverage and TOR of the monograph. A contract will be drawn up for implementation.

Sources of data. The main sources of reference for the state-of-the-art paper will consist of evaluation studies (national and comparative) of decentralization reforms, supplemented by the databases of IIEP and UNESCO, as well as those of co-operation agencies.

Partners. The main partners to be considered will be the IIEP college of consultant fellows and professional institutions.

(c) State-of-the-art paper on academic fraud

Background. Examinations are important for two reasons: they serve the purpose of monitoring the disparate elements of education systems and they help to select individuals for scarce educational and vocational positions. In other words, they play a key role in the

distribution of educational benefits in many countries throughout the world. For this reason, they are the subject of particular attention today from both governments and co-operation agencies, given the prevailing general interest in the promotion and monitoring of transparency and integrity in the use of educational resources.

Scope. The emphasis will be on school-based examinations and examinations managed at non-school level for pupils and students in primary and secondary education. Issues related to university-based examinations and more generally to tertiary education will be given less attention. The main focus of the study will be the extent to which procedures to standardize the conditions of preparation, administration and scoring of examinations are observed or violated.

Purpose. The main purposes of the state-of-the-art will be: (i) to describe forms of malpractice (violation of procedures) that have been identified in examinations; (ii) to review evidence that is available on the frequency of malpractice; (iii) to review the findings of different studies on the reasons for malpractice; and (iv) to outline some of the procedures that have been developed to detect malpractice and hopefully to control or prevent its occurrence.

Research approach. The study will draw mainly on existing work in this field. In addition, it will attempt to evaluate 'success or promising stories' of introducing soundness, integrity and transparency into the management of examinations (in particular thanks to the computerization of data).

Implementation. Contacts will be established with specialized NGOs and professional associations concerned with educational assessment in order to identify and collect information. In particular both Vincent Greaney and Thomas Kellaghan – co-authors of an excellent paper on this topic – will be approached for advice and

references. A consultant will be subcontracted to prepare the state-of-the-art paper.

Sources of data. A preliminary review of the literature suggests that the sources of evidence that are available on the topic of malpractice in examinations are not very extensive. The IIEP will need to rely primarily on (i) existing studies; and (ii) information to be collected from examination authorities in Member States.

Partners. In addition to SACMEQ, other professional associations, both international (IEA) and regional (ADEA), will be solicited. A selected number of examination offices in countries will also be approached.

(d) Comparative study on teachers' codes of practice

Background. The development and maintenance of high standards of values, ethics and conduct in public services and the fight against corruption have received special attention from governments and international agencies in recent years. However, the capacity of governments for managing ethics and combating corruption remains weak, especially in the education sector. Irrespective of context, it would be useful if countries undertaking anti-corruption reforms could first assess the 'state of health' of their system by comparing the established rules with actual practices.

Scope. The study will focus on the behaviour of teachers and other education personnel at primary and secondary levels. It will cover countries where teachers' codes of practice are in force. It will look at those aspects of the codes that are relevant to the question of ethics and corruption.

Purpose. The main purposes of the comparative study will be: (i) to document the factors (economic, social, etc.) that define,

determine, and distort 'ethical behaviour' in the education sector, both among teaching and non-teaching staff; and to produce a number of conclusions of relevance for policy-makers.

Research approach. The report will summarize the findings of a comparative study dealing with the experience of a selected number of countries (eight to ten). A number of key features common to the different codes of practice will serve as the basis for the design of the questionnaire and the comparative analysis.

Implementation. The study will be contracted to an IIEP consultant who will co-operate with the team in charge of the programme in (i) reviewing the existing literature and the sources of data; and (ii) designing the TOR of the study.

Sources of data. A survey questionnaire will be designed and administered to help in collecting data describing (even indirectly) the standards of behaviour of teachers and educational personnel (current and projected).

Partners. The choice of the countries will depend on different sources of information, on existing 'codes of practice' of teachers and other educational personnel.

(e) Monograph on the production and distribution of textbooks and didactic materials

Background. The production and distribution of textbooks and didactic materials are often entirely under the control of the public sector; but they are sometimes regulated only partly by the public sector. In all cases they afford opportunities for civil servants to seek irregular payments to grant authorizations or certifications. For this reason, in some countries, regulation is under the responsibility of 'independent entities' (committees, commissions, etc.).

Scope. It may be advisable to limit the scope of this monograph to Africa.

Purpose. The purpose of this monograph is to study some good practices of management of production and distribution of textbooks and didactic materials.

Research approach. Such practices may cover different activities of management. Hence, it is suggested that the study should include the following: the examination of the conditions of public market tendering funded nationally and/or internationally; the review of existing practices in seeking cost-effective approaches to the financing of production (remunerating authors) and distribution (storage/transport); and a discussion of alternative methods of supporting the costs (private/public) of the use of textbooks and related materials. In each case, the focus will be on the merits of different practices in reducing corruption and increasing transparency in the use of resources.

Implementation. A consultant will be identified among the network of professionals of the ADEA. A review of the literature will be undertaken supplemented by specific contributions, to be subcontracted, on successful experiences of some countries.

Sources of data. The preparation of the monograph will involve the consultation of IIEP and UNESCO databases, of the ADEA, as well as of the ministries of education of the countries covered by the study.

Partners. The expèrience of African countries may be studied in co-operation with ADEA, which has accumulated a large database on the subject.

(f) Monograph on the recruitment and payment of teachers

Background. Given the significant share of the education budget going to salary costs (about 80 per cent) and the crucial role of teaching staff in the efficiency of education systems, this topic has been one of IIEP's priority areas and part of its programme during recent years. Several case studies were carried out within the framework of this ongoing programme. In those consisting of auditing the management of teachers, a number of procedures leading to corrupt practices were identified and discussed.

Scope. The study will be limited to the remuneration of teachers at primary and secondary levels. It will take into account both salaries and various allowances, received from the education administration (both public and private) or from private sources (families).

Purpose. The main purposes of the monograph will be: (i) to summarize both the experience gained by IIEP and other organizations in the methodological approaches used for the management of teachers (audits, other tools for diagnosis); and (ii) to synthesize the knowledge bases of 'best practices' for limiting corruption and increasing integrity and transparency in this field.

Research approach. It will consist of: compiling and synthesizing existing practices for auditing and diagnosing the management of teacher payment; and reporting from existing studies of 'success stories'.

Implementation. The monograph will be subcontracted to a consultant. It will be carried out in three steps: (i) a review of the literature and a questionnaire sent out to partners to collect information; (ii) the analysis and synthesis of the information

collected; and (iii) discussion of findings with a selected group of participants from the IIEP Advanced Training Programme.

Sources of data. This monograph will cover a small sample of countries from Africa, Asia and Latin America, building on the information base of IIEP.

Partners: Co-operation with the World Bank and OECD (for the formal education system) and UNICEF (for the informal system) will be sought. In addition, it is hoped that NGOs (Aga Khan Foundation and Van Leer Foundation, Transparency International) will contribute by facilitating access to their information base.

(g) Monograph on recognition and financing of private tutoring

Background. At the outset, this topic may appear to be of minor importance because of the relatively small amounts of resources involved and the limited number of countries where private tutoring (at secondary level) is a generalized practice. Yet, there are grounds for studying this topic: private tutoring may take different forms (there are growing numbers of private firms offering such tutoring in the USA and Europe) and be a more widespread phenomenon than initially assumed; and the impact of private tutoring is not limited to improving the efficiency of the education system, it may adversely affect the behaviour of teachers, the costs of public and private supply, and the goal of equality of opportunity in education At the same time, in several countries, because of the existing policy of salaries in the public sector, private tutoring may prove to be a useful way of retaining well-trained educators/teachers in the public sector.

Scope. The study will deal with experiences of private tutoring at secondary level.

Purpose. The purpose of this monograph is to compare mechanisms of recognition and financing of private tutoring in a selected number of countries in order to identify successful practices for regulating private tutoring: minimizing adverse consequences on the integrity and transparency in the management of educational personnel, both in the public and private sector.

Research approach. Relying primarily on existing studies of evaluation of experiences, an attempt will be made to design a 'descriptive model' linking the practices of private tutoring to a number of explanatory variables, i.e. the salaries of teachers, the duration of work, classroom organization and management, etc.

Implementation. A consultant will be subcontracted to design and implement the preparation of the monograph. After a review of the literature and collection of data, a small survey will be carried out to supplement the information base.

Sources of data. The study will primarily build on the existing knowledge base at the IIEP and other partner institutions. If resources are available, small surveys may be conducted with local support, targeted at households, officials within the educational administration, and teachers.

Partners. Collaboration with a selected number of representatives of ministries of education, UNDP, the World Bank, and other agencies financing secondary education (Swiss DDC, the Asian Development Bank) will be sought.

III. SUMMARY OF THE DISCUSSIONS

A summary of the discussions that took place during the workshop organized by the IIEP in November 2001 is presented below. The first section outlines the presentation made by each participant on his or her experience and knowledge on the issue of corruption. The second synthesizes the comments made by the experts on the background document prepared for the meeting. The third presents their main suggestions and recommendations as regards the activities to be undertaken by the IIEP in the framework of its new project.

1. Show and tell

The representative from *Mexico* started by giving some key figures to present the education system of his country, namely: basic education alone mobilizes one million teachers, more than 200,000 schools and 24 million students. He mentioned that about 26 per cent of the national budget goes to education. He expressed his particular concern with regard to corruption in education. He explained that because of the recent political changes that have occurred in Mexico, there is an opportunity to change ongoing practices, specifically in the area of corruption. Corruption today is estimated at around 15 per cent of the gross product of the country, and constitutes the biggest threat not only to development but also to democracy, as it is associated with organized crime. He then emphasized the key role that education, and more precisely citizenship education, can play in the fight against corruption. He warned against the establishment of increased controls to combat corruption, unless a culture of lawfulness and trust is promoted at the same time. As a matter of fact, increased controls alone may paralyse the activities of a given

government, due to the increased difficulty involved in mobilizing money. To illustrate this point, he referred to successful school-based programmes implemented in Hong Kong, Sicily and Mexico, aimed at addressing corruption and crime issues with a long-term perspective. He concluded that the promotion of a culture of lawfulness requires two complementary strategies: improving the functioning of the judiciary system, and teaching children and adults respect of the law.

The representative of *Hong Kong* took the floor to describe the work of the anti-corruption commission that was established in the city as early as 1973. He stated that before this date, corruption in Honk Kong was pervasive; and that a number of anecdotes could be taken from the economic, judiciary or political spheres to illustrate this. However, from 1973 a change in culture was observed. He then presented the Hong Kong anti-corruption commission as a non-governmental organization, even though its employees belong to the civil service. It is a very powerful body, which does not have to comply with regular judiciary procedures. In its role as a public watchdog, it receives 20-30,000 letters of complaint every year (the city has six and a half million inhabitants); 3,000 are genuine cases with corroborating evidence, among which 200 cases are brought to trial and end in prosecution. The risk now is that this body may become too bureaucratic. The commission is composed of three main committees, each with an advisory body: the first one is oriented towards action; the second towards prevention; and the third towards community relations. The committee on community relations includes four subcommittees: one on community liaison; another on education; yet another on research; and the last one on media. The participant identified four different dimensions of corruption in education. The first one relates to the inappropriate allocation of funds that are distributed to schools following competitive procedures, within the framework of decentralization. The second

is linked to democracy and the political process rather than financial issues; it concerns the way some schools favour certain candidates during elections. The third is connected to professional practice. Regarding this specific issue, the orator mentioned a study on teachers' and educators' codes of practice led some years ago by the committee on community relations; 23 codes were collected and analyzed at that time. Since then, a council on professional conduct in education has been established in Hong Kong, which can intervene, for instance when a teacher thinks that a school principal has treated him/her unfairly. The fourth dimension consists of promoting basic values and virtues, such as integrity and honesty that can help limit corrupt behaviours.

The representative from the *Asian Development Bank* explained that a first step in the fight against corruption was taken by her organization five years ago, when it set up its good governance policy. A stronger anti-corruption policy has been designed since then, which is still fairly new. The staff responsible for this anti-corruption policy is based in the general auditor's office, which gives them a considerable amount of independence. They receive allegations from a variety of partners: bank staff, governments, non-governmental organizations (a web site has been created, where people can send their complaints), conduct investigations and report directly to the President. They also undertake various preventative actions, either in-house or in specific countries of the region, consisting of training workshops. Given their limited resources, they focus part of their efforts on non-governmental organizations, as they constitute their main source of allegation. Fieldwork is conducted with the help of the Bank's resident missions that have a greater knowledge of the countries concerned.

The representative from the *Organisation for Economic Co-operation and Development* informed participants that the anti-corruption division of the OECD is working mainly on the implementation of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, on the one hand, and on its outreach through research work, on the other. She then referred to a programme led a few years ago by the Centre of Development, on corruption in the sector of customs administration. This programme consisted of scrutinizing policy reforms undertaken in Bolivia, Pakistan and the Philippines in the area of customs, to analyze whether they succeeded or failed to address corruption issues. Two main conclusions were drawn from the study. The first conclusion was that not every country could afford to attack all problems of corruption at the same time – as Hong Kong has done. It is crucial to make a distinction between the various corruption problems so as to conceive appropriate strategies accordingly. The second conclusion was that any recommendation made has to be linked to the historical and political context of the country considered.

A *consultant in the diagnosis of education systems* evoked his experience in the auditing of ministries of education over the last 10 years. He said that corruption issues as such were not the main problem encountered when auditing the education sector. Accordingly, he indicated that it would be quite useful to discuss whether the education sector is offering more opportunities for corruption compared to other sectors, even though it would appear to be difficult to measure its magnitude precisely.

The former executive secretary of the *Association for the Development of Education in Africa* talked about a kleptocracy that he had had the opportunity to observe, where corruption was widespread. He underlined the rationality of its functioning, which

enabled a redistribution of resources, down to a certain level. In this case, mismanagement was used as a euphemism for corruption. He made the hypothesis that the only way to limit corrupt behaviour in this context was through preventive measures, aimed at changing "the routine and institutional culture", in other words the existing reward system and structure of incentives. He stated that these measures have to be figured out in the political, cultural and institutional context of a given country, keeping in mind that everywhere, "the moral enemy of corruption is the spotlight".

The representative from the *International Institute for Educational Planning* focused her discourse on the distinction between petty, medium and grand corruption. Petty corruption can be illustrated by the example of the fees that teachers demand for private lessons, which ensure an automatic pass mark for students. At the other end of the scale there is grand corruption, involving aid-granted procurements, for instance for school buildings. Between the two, medium-sized corruption exists, which has developed in a number of countries in parallel with the implementation of decentralization. This type of corruption can be found in various sectors such as teacher deployment, the distribution of teaching materials or the allocation of scholarships. The representative warned against the temptation to look at petty corruption without simultaneously examining grand corruption: teachers for instance are not likely to change their practices or improve morals, if higher education professionals are openly involved in corrupt practices. However, given the difficulty in tackling grand corruption, which involves high-level officials, she recommended targeting medium-level corruption. To conclude, she introduced another distinction: that of 'negative' and 'productive' corruption, and called for further discussion on this topic.

The representative from the *International Institute for Educational Planning* in *Buenos Aires* centred his speech on the need to reflect on the way in which honesty and ethics are taught to educational administrators. He underlined that an 'emotional approach' should be added to the more traditional 'cognitive' one. This may prove rather difficult, given the cultural dimensions of these concepts, which vary from region to region. At the same time, it may be disadvantageous to overestimate the importance of cultural factors, which may be considered as a way both to justify and dissimulate the problem.

The representative from the *University of Birmingham* described his experience as a teacher in secondary schools in Ghana and Nigeria. Corruption in education in this case was linked with problems of school admissions (the demand far exceeding the availability of places), of payment of teachers' salaries, and of the leakage of questions before examinations. He then presented his work as a teacher at the University of Birmingham, which has designed a course on management, ethics and corruption, bringing together participants from various countries in Africa, Asia and the Arab region. Most of them come from anti-corruption agencies, in countries such as Tanzania, Uganda or Malaysia. He then described the activities that he undertook as a consultant for the UNDP in Ethiopia from 1999, which aimed at designing and setting up an anti-corruption ethics commission. This included assessing existing structures to enforce ethics in the public sector, with particular emphasis on the enforcement of codes of conduct aimed at various categories of civil servant, e.g.: ministers, members of parliament, judges and administrators. One of the key lessons drawn from this experience was the need to give people a chance to participate in the design of these codes, to make them feel more involved in the process and therefore create codes that are acceptable to them. Finally, he

expressed his interest in issues related to the implementation of new public-sector management (including decentralization, performance management, contracting out of public services, cost recovery, public and private partnership, etc.), particularly in Africa, and its implication for ethics and corruption.

The representative from *UNICEF* suggested a reconsideration of the title: "Ethics and corruption in education" given to the IIEP's new project, in order to convince governments to take this issue on. He recommended using the word 'accountability' rather than 'corruption', and to talk about 'ethics and improving accountability in education'. On the same theme, he recommended that the word 'corruption' not be overused in dialogue with governments, and to focus more on solutions rather than problems. A way of proceeding could consist of inviting Member States to combat any obstacles to the schooling of children (including corruption), as far as access to basic education is a fundamental right (that they have agreed to ratify in the Convention on the Rights of the Child). Another way of proceeding might be to promote the right to information, which can play a key role in improving the accountability of actors and, consequently, to fight against corruption. He mentioned in this respect that there are only 24 countries in the world that have adopted a 'right to information' Act. Referring to a study led by UNICEF in eight Indian states, he encouraged the IIEP to pay due attention to powerful structures, such as teachers' unions, which must be taken into consideration when analyzing the management of education systems. In India, for instance, the role of teachers' unions cannot be neglected when dealing with the issue of teacher absenteeism, which is considered as a very preoccupying phenomenon (it was also noted that in India, both public and private teachers have the constitutional right to run for election). Finally, he alluded to the work that he had conducted on accountability and democratic decentralization, based

on the experience of two Indian states, namely Rajasthan and Madhya Pradesh, which have massively improved their literacy and enrolment rates during the past decade. The analysis showed that the decentralization of the education system was not responsible, on its own, for the good results obtained, but, rather, the setting up in parallel of mechanisms of accountability which ensured that the voice of the people be properly articulated.

The representative from *Transparency International* (TI) informed participants that about 30 out of the 87 TI National Chapters develop programmes in the field of education. Some of them consist of introducing the subject of corruption in the curriculum and promoting values of integrity and honesty. But very few of them address the issue of corruption in education per se. He underlined the relevance of the approach proposed by the IIEP, that any action to fight corruption through education cannot be considered credible if initiatives are not taken to address the problem of corruption within the education system itself. He then described some concrete cases of corruption in the field of education; he referred specifically to cases in Pakistan and South Africa, where fictitious schools, teachers or pupils have been found to be registered. He then challenged the idea raised by other participants, according to which the issue of corruption is country specific. He took the example of a football team, which can be used, in very different sociocultural contexts, to explain to children the detrimental effects that corrupt behaviours can have on efficiency. To respond to the concern expressed previously regarding the use of the word 'corruption', he recognized that, in some cases, it may be better not to refer to the issue of corruption; but, at the same time, he pinpointed that in more and more cases, such as Mexico, one should not hesitate to name the issue of corruption since it has become a major concern and has become a high priority for many countries. He concluded that there is

undoubtedly a need to highlight good practice in the fight against corruption, but also to form a concrete idea of what the problems are in order not to miss the point.

The representative from *Transparency International* in *France* explained that the French Chapter of TI has not been actively involved in the area of corruption in the specific field of education up to now, but that it should become a growing concern in the future. Its main focus should not be on how to combat corrupt practices in the field of education, but, rather, on how to make use of education to fight corruption. He referred to interesting experiments launched by the Chapters of Morocco, Slovakia and Italy in this respect. Regarding the discussion on whether the IIEP should concentrate its project on petty, medium or grand corruption, he shared his experience in international trade to conclude that the emphasis should be put on grand corruption, which constitutes the major problem, but that nothing should be done which could lead people to think that small-scale corruption is tolerated. He gave two reasons for this: firstly, because there is a continuum between small and grand corruption, the persistence of petty corruption leads to excuses for the existence of larger-scale corruption; secondly, because even though petty corruption may have a less important economic impact, it is highly resented from a social point of view by people from disadvantaged backgrounds.

The representative from the *World Bank* referred to World Bank President James D. Wolfensohn's policy of putting strong emphasis on helping countries develop anti-corruption strategies, as well as adopting a policy of zero tolerance regarding any corrupt practices within the World Bank itself. She mentioned that the issue of corruption is tackled from various angles by departments of the Bank as well as by the World Bank Institute. She then presented the work

undertaken by the Research Department in this area, which focuses on basic service delivery within the public sector – corruption being one of the problems to be addressed in this framework – and on existing systems of incentive. She described the methodology used to measure potential diversions of resources, through the collection of frontline micro-level data from service providers. The idea here is to compare the budget allocated to schools, for instance, with the actual services provided, and thus give evidence of misuse of funds. She referred to the school survey it carried out within Uganda in this framework, where it had been observed that, although public funding to education had increased at least threefold, there had been no improvement in national enrolment figures. The survey conducted, using a sample of 250 schools, showed that the average level of funding reaching schools was very low: indeed only 13 per cent of those funds were actually used to serve their intended purpose. The empirical evidence showed that variations between schools very much depended upon the 'bargaining power' of these schools. Immediately after the disclosure of these findings, the Government of Uganda decided to react by 'using information as a tool': it posted information regarding actual receipt of funding in every school and published all monthly local government transfers for various basic services. A further assessment four years later demonstrated that this strategy had given rise to a very significant increase in the capital going to schools. The representative from the Bank concluded by saying that there is room for collaboration between the World Bank and the IIEP on these issues.

The representative from *Malaysia* evoked corrupt practices involving the private sector that she witnessed when working for her country's Ministry of Education. She emphasized the difficulty of drawing a line between what can be considered as corruption, and what cannot, according to contexts and cultures. She took the

example of Malaysia where giving presents is not considered as corrupt behaviour. She warned the IIEP against overusing the term 'corruption' as far as it is very sensitive and often unpopular. She then recommended paying attention to the professional conduct of teachers, which should be considered as a key issue in countries that have decided to put emphasis on value education. In Malaysia, for instance, the introduction of value education in the curriculum has been made in parallel with the setting up of mechanisms of control of teachers' conduct through professional audits. Teachers' salaries have also been increased substantially, but the impact of this measure on improving accountability has not been properly assessed. It is a sensitive issue given the reluctance of unions and professional teachers' associations to address it. The participant concluded by referring to successful stories of collaboration between administrators, teachers' unions and PTAs – based on the concept of an 'educational community' – which can pave the way for change.

2. General debate

■ Context

It was clearly emphasized by all the participants that dealing with the issue of corruption in education was both relevant and timely. Several elements of the context were thus identified as key factors, namely:

- The *will to push the agenda forward at country level*: it was acknowledged that political will is very often lacking at country level to attack corruption head-on; but it was also observed that even where corruption has been a way of life for a long time, the recognition that it can cost more than 10 per cent of a country's gross product has encouraged governments to begin tackling the problem. At the same time, some countries recognize that

corruption constitutes the biggest threat to their capacity to govern democratically – in particular when it is associated with organized crime. This has led some societies to make the fight against corruption one of their top priorities.

- The *recent changes in corruption perception:* it seems that corruption is less taboo now than it used to be; the examples of a number of countries where it has become easier not only to talk about it, but to deal with it were mentioned – the most easily identified is Hong Kong, where a cultural change with regard to corruption took place as early as the seventies, but Indonesia and Thailand were also referred to. The examples of various international agencies, including development banks, that have decided to shift from good governance to an anti-corruption approach were also evoked.

- The *new challenges for sector management:* it was mentioned several times that the increasing complexity of public-sector functioning leads to new opportunities for corruption, and that this should be properly addressed; particular attention was given here to the implications for ethics and corruption of the decentralization of public services, very often put in place without the monitoring systems required; of the contracting out of public services, whether inside or outside the public sector, which involves multiple principles, agents and dynamics; as well as of the development of cost-recovery systems, particularly in Western Africa, where most of the fees collected are not reinvested in education.

- The *low achievement of Education for All (EFA):* according to some participants, it is now broadly recognized that the failure of a great number of countries to reach the objective of education for all has to do not only with low levels of financing, but also with poor management capacities combined with problems of

mismanagement. The corruption of teachers in terms of absenteeism in particular was presented as one of the most fundamental problems in the non-achievement of EFA - both in terms of equity of access and of quality. As a consequence, putting the emphasis on issues of transparency, accountability and integrity was regarded by participants as a very sensible approach to EFA.

- The *pressure exerted by international aid*: in his opening speech, the Director pointed out that the pressure exerted on international aid in donor countries may increase during the coming years. Indeed the ageing of the societies concerned should imply a huge mobilization of public resources in terms of pensions and medical expenses - which may, in turn, create some competition with international aid. As a result, the problem of the legitimacy of international aid may be pushed to the forefront of public debate - as the recent elections in Denmark showed. Within this framework, ensuring that international aid reaches its targets, and fighting against corruption may become top priorities on the international agenda.

In conclusion, there was strong interest in IIEP's new programme on "Ethics and corruption in education", which could play a pioneering role in tackling the issue of corruption within the specific area of education.

The cost of corruption in education

One participant questioned the justification for focusing on the education sector, as there is no evidence that it offers more opportunities for corruption compared to other sectors. But other participants emphasized at least three reasons for paying attention to it: firstly, the *financial cost* of corruption in education can be considerable, as the education sector represents, in most countries,

the largest (or second-largest) component of public expenditures; secondly, the *social cost* of corruption in education is certainly the most severely resented by people (especially poor people), which explains why the level of tolerance of corruption in education is particularly low; thirdly, the *ethical cost* of corruption in education is higher than for any other public service, as one of the major roles of education is precisely to promote ethics.

Participants insisted on the detrimental effect that corrupt behaviour, within the education sector, can have on the capacity of schools to teach values. The dialectic relationship between corruption in education and education against corruption was described as follows: how to assume that a child learns universalistic values, ethics and morality, when, at the same time, his immediate environment is corrupt, when teachers are not there when they are supposed to be, when their behaviour is unacceptable, etc. The fight against corruption in education was thus perceived as indispensable by participants, in order to promote healthier environments that would be conducive to the development of ethical behaviour (it seems, from their interventions, that education against corruption is becoming a growing subject of interest to various actors, including the Chapters of Transparency International; but that corruption in education has not been given adequate attention until now).

One participant introduced a distinction between *productive versus non-productive corruption*, making the assumption that the costs of corruption can be either positive or negative according to the country. More specifically, reference was made to a research paper published by the IDS, which suggests that in some countries corruption is productive because the money generated is immediately reinvested into the economy; whereas in others, it is not productive as it is not reinvested in this way. This view was severely criticized by

other participants, who alluded to quantitative surveys conducted in firms which very clearly showed the negative effects of bribes accepted by bureaucrats on efficiency as well as on equity.

Definitions

There were two sets of comments regarding the definition of corruption: some on the use of the word 'corruption' itself; and others on the meaning of the word.

Some participants suggested that the word 'corruption' not be overused in some contexts. In fact, given that it is value loaded, it may even be counterproductive to use it in some circumstances. It was proposed, accordingly, rather than to talk about corruption, to refer to problems of governance, management (or mismanagement, which is very often used as a euphemism for corruption), transparency, accountability or integrity. It was pointed out in this respect that the next issue of the Human Development Report will focus on accountability and governance, which may create negative reactions from countries.

Other views were also expressed; it was indicated that with the phenomenon of corruption being explicitly referred to in a growing number of countries, there was no reason not to use the word. It was also pointed out that without using a precise term to describe the problems involved, the point could be missed. Furthermore, it was stated that the idea of disapproval included in the notion of corruption should not be neglected when dealing with this issue.

It was concluded that even though the wording is more a problem of communication than of approach, it might have its importance when implementing the programme. It was advised that the IIEP use the word 'corruption', and that the strategic people that benefit from

its activities (in particular through training) form a clear idea about the issues at stake and about their implications for the overall education system. But it was also recommended that these people avoid naming the issue so explicitly when implementing reforms, and express the idea of the fight against corruption in positive terms – for instance by talking about improving accountability in education, or increasing the efficiency of education service delivery.

"Is the definition given of corruption in education satisfactory? To what extent does it exclude important acts of corruption that would require particular analysis?"

There was a consensus on the need to define what is meant by corruption in the specific field of education, so as to take into consideration the particularities of this sector properly.

The following definition of corruption in education, namely: "the systematic use of public office for private benefit whose impact is on access, quality or equity in education", was regarded as quite relevant. Nevertheless, it was suggested to refer not only to the impact of corrupt practices on the volume and quality of educational resources, but also on educational outputs and results (educational outcomes may not be included in the definition, despite their importance, given the difficulty to reveal clearly the impact of corrupt practices on them). In addition, one contributor pinpointed that the definition should not be limited to the use of public office; he gave the example of someone leading a private school but using public funds, who could be involved in corrupt practices even though he or she did not technically hold a position in public office.

As an alternative, a few participants proposed that corruption be defined as what is not acceptable according to the law (which can vary from one country to the next); this would help put the emphasis

on the need to develop a 'culture of lawfulness' in order to be able to fight against corruption effectively.

Finally, one participant recommended enlarging the definition to "the use of resources not for the intended aims" – in other words, to the spending of money on something other than what it had been appropriated for by elected authorities (especially by the parliament). This would enable the examination of a variety of phenomena at the origin of leakage and distortion of funds sector wide. In some cases, this may refer to corruption problems; but in others to the decisions taken by local officers to use funds according to their own set of priorities.

"Does this definition enable the building of appropriate linkages between problems of corruption and issues related to educational planning and management?"

It was proposed that a more explicit linkage with problems of educational planning and management be introduced, so as to form a clearer idea about what the problems are. It was suggested that references to the issues of accountability, transparency or integrity could help progress towards this end.

There was general consensus on the proposal made by the IIEP to concentrate on opportunities for corruption (that can be partly specific to the educational field) rather than on corrupt practices (which are general and can occur in any sectors). Indeed, it was emphasized that the Institute should concentrate on the routines and mechanisms in use and on the interface between the system and its beneficiaries, rather than focusing on factual evidence of corruption. More generally speaking, it was agreed that the work should be carried out in a very practical way and it was recommended that priority be given to the study of providers rather than of beneficiaries.

A suggestion was made to map out the universe of corruption in education. This would involve identifying and breaking down the steps involved in educational management, which offer potential opportunities for corruption. Each time, a clear description of the phenomena concerned could be carried out and the corresponding risks evaluated, making a distinction between 'ordinary' corruption (i.e. built in the regular functioning of the education system, such as the phenomenon of 'ghost teachers') and 'extraordinary' corruption (i.e. one-off practices such as fraudulent activities). The rules involved and the way they are implemented or disregarded could also be analyzed. A first contribution on how to proceed concretely was made by one of the participants (see *Figures 1-6*).

> *"Should the project focus on grand corruption, or, rather, on petty corruption, which, when it is developed on a large scale, may have a particularly significant impact on the functioning of education systems?"*

Controversial views were expressed on the need to focus on either *petty* or *grand* corruption.

Some participants denounced the tendency for corrupt politicians and officials to bias investment in favour of large infrastructures, irrespective of whether this policy meets the most urgent needs of the poor in education. They advised the IIEP to focus on high levels of systemic corruption accordingly. The arguments given were of three sorts: (i) grand corruption has a higher economic impact when compared to petty corruption; consequently, one should see it as a major priority to be tackled; (ii) it appears difficult to address petty corruption without having addressed grand corruption first; indeed one cannot teach pupils ethics or motivate teachers to change their behaviours when, at the same time, headteachers and higher administrative officials are openly involved in corrupt practices; (iii)

it does not seem suitable to deal with petty corruption, without taking into consideration the context of poverty in which educational actors live; in other words, one can hardly address problems of private fees, for instance, without addressing the problem of low teacher salaries.

However, other participants insisted on the social impact of petty corruption, which occurs at the point of service delivery between the school and on the one hand parents/citizens, and on the other hand, frontline educational administrators/managers. They recommended that practices which tend to increase the real cost of education and that are severely resented by the poorest people (particularly as regards access of their children to schools) should not be neglected. They also emphasized that it is difficult to make a strict distinction between grand and petty corruption because there is a continuum between the two: grand corruption tends to percolate at lower levels and, in many cases, the persistence of petty corruption leads to some tolerance of grand corruption; as a consequence, one should look at both.

One alternative was given, namely to study *corruption on a medium scale*, and to focus on the impact of decentralization on management practices at regional or local levels, in various domains, such as teacher management, scholarships or the distribution of teaching materials.

In conclusion, it was advised that the IIEP try to obtain a holistic picture of the impact of corruption on education, by looking both at grand corruption at the upstream (policy levels) and at petty corruption at the downstream (operational/frontline levels of education). Within this framework, it was recommended that grand corruption be given priority as it appears to be a major problem, but that petty corruption also be addressed when it tends to develop on a large scale in a systematic way – and can thus affect access, quality and equity.

"Where to set the limit between what should be considered as honest or corrupt behaviour in education?"

Several participants stressed that there can sometimes be an overlap between management and corruption issues. One of them gave the example of countries such as the Lebanon, where educational officers tend to take on a second job to compensate for their low salaries; for example, high educational administrators (including Ministers in some cases) operate in the Ministry of Education in the morning, and in a private company in the afternoon; teachers teach in a public school in the morning, and in a private school in the afternoon (or give private lessons to pupils). This situation is well accepted by the whole system and is not considered as corruption. Yet, in countries for instance where there is no double shift, and where teachers are not working for the numbers of hours they are paid, the question can be raised: is it a management or a corruption issue?

One participant made a parenthesis in this respect: he warned the IIEP against putting more emphasis on corruption issues rather than on management issues. He stated that mismanagement can be as damaging as corruption on educational objectives in terms of access, quality, equity or ethics. As a result, he pleaded against the idea that corruption in education is a priority objective to fight, in situations where mismanagement (or undermanagement) is still a big problem. Furthermore, he pointed out that strategies for improving management practices (including the development of new systems of regulation, evaluation, control, audit, etc.), can undoubtedly contribute to curbing corrupt behaviours.

In addition, the question was raised whether the term 'corruption' had the same meaning from place to place, from culture to culture. One example given was that gifts, for instance, are regarded as a

simple manifestation of reciprocity between stakeholders in some countries (such as Thailand), and as corrupt practice in others. However, it was argued that the notion of corruption exists in all societies - though levels of tolerance to it can vary; and that tolerance of corruption in education is very low everywhere. In this regard, to endeavour to enhance countries' understanding of corruption and of the danger implicated with its tolerance was considered as fully relevant by all the participants.

Conceptual framework: a first attempt

One participant suggested backing up the conceptual framework designed by the IIEP with a theoretical basis; he mentioned that references could be added especially to philosophical theories, dealing with the concept of ethics; human rights theories on development, promoted by the United Nations; political theories on democracy, emphasizing the idea of accountability; and finally legal theories, enabling a regulation of civil servants' actions.

"Should 'environmental factors' be taken into account when undertaking the research?"

Several participants pointed out the need to include environmental factors in the analysis, including historical, institutional, political, social and cultural elements, in order to better understand the different corruption issues at stake, and to be able to formulate tailor-made strategies accordingly. The point here is not to try to justify or dissimulate corrupt types of behaviour, nor to overestimate their cultural dimension, but rather to better understand how things happen, according to which processes - thanks to a better knowledge of the context in which they take place, the various groups of people involved (both the beneficiaries and the victims), the current balance of power existing between these

groups, etc. It can be assumed for instance that opportunities for corruption will be lower in countries that have achieved universal access to higher education, than in countries where the number of places available at university level is extremely limited - unless adequate preventive mechanisms have been put in place to ensure transparency and accountability (such as high teachers' salaries).

Furthermore, some contributors invited the IIEP to pay attention to the set of values that underlie the functioning of a public-sector system. It was stated that in some contexts, however the system has been set up, if one can benefit from abusing that system, there will always be those determined enough to find a way around any preventive measures put in place. As a result, strategies aimed at increasing accountability may be useless in addressing corruption issues, unless they also intend to tackle core values. One participant called for more pragmatism and recommended that the focus be not on ethics, but rather on what a society perceives as corrupt practice, in particular in the education field, where impunity is often the common rule; it was assumed that this perception is closely linked with the potential loss that people anticipate through not respecting the law.

It was also suggested that the implementation capacity of countries be examined, when trying to identify the structural factors that can have an influence on corrupt practices. Two examples were given to illustrate this point. Firstly, the low implementation rate of school construction programmes, that do not exceed 25 to 40 per cent in many developing countries, several years after the funds have been released by donors; this low capacity of absorption, which leads to reduced access to education, is mainly linked to a lack of human resources (in particular architects and engineers). This impedes the timely delivery of work and makes it difficult to follow-up on

contractors and undertake cost controls; but it also tends to create opportunities for corruption. Secondly, delays in the preparation and execution of education budgets, which is also linked with low implementation capacities, can lead to corrupt behaviour.

The concept of 'best practice' in the fight against corruption was criticized in this framework, the argument being that the functioning of education systems was too complex to be modified using a model borrowed from another country. Nevertheless, it was underlined that cross-country analysis could be of help to identify some institutional innovations, enabling for instance an improvement in the system's transparency. It was also stated that some examples could be used in various contexts to illustrate the harmful effects of corruption on efficiency, and this could prove quite didactic.

"What are the priority areas in the field of planning and management to be taken into consideration as regards corruption?"

Referring to the table on priority issues prepared by the IIEP, one participant requested that corrupt activities not be confused with the management processes involved in the implementation of these activities. Tendering, for instance, should not be listed as a corrupt practice; it is obviously a common activity in all public-sector services and should come under areas of planning and management; what is corrupt practice is to procure contracts unduly or to give advantages in return for contracts; more broadly, corrupt practices in tendering can include political patronage in the award of contracts, inflated contract prices, collusion between officials and private providers to defraud or divert resources, payment of commission to officials and so on.

In order to better break down the various processes involved in corrupt practices, it was suggested two levels be specified, namely: the definition of rules and the implementation of these rules. It was also proposed that a distinction be made between the educational process, its products (in terms of equipment, services, etc.), and the mechanisms that allow students access to these products. Finally, it was recommended that the main areas of planning and management in education, which may give rise to corrupt practices, be defined more systematically. One participant made a first attempt to list them as follows (see *Figures 1-6* on pages 96 to 101):

- investment;
- budget allocation;
- school budget, allocation and utilization;
- school mapping, construction, and equipment;
- teachers and staff recruitment, promotion and training;
- purchase and distribution of textbooks, materials, equipment and food;
- school enrolment;
- examinations and diplomas;
- specific allowances and fellowships to MOE personnel;
- private school licensing and subsidies allocation;
- project selection and implantation;
- subcontracting; and
- project implementation.

For each of the areas thus determined, a number of corrupt practices were identified, including bribes and pay-offs, embezzlement, criteria bypass, academic fraud, unethical behaviour, favouritism, nepotism, traffic of influence, and 'pork barrel'. More specifically, in the area of project development, several opportunities for corrupt practices were evoked, such as the selection of projects

for personal interest rather than for national interest (example of a Minister that decides to open a university in his own constituency, rather than opening schools in other departments); implantation in unjustified areas bypassing school-mapping criteria; implementation processes favouring particular suppliers or pay-offs; contracting through irregular processes to corrupt firms and suppliers; absence of evaluation and audit of project contracts and accounts.

When discussing proposed activities (see Point 3 below), some input was provided on the priority areas where the IIEP could decide to focus its work. But at this early stage in the debate, some participants simply evoked the importance of school infrastructure (both construction and maintenance), which constitutes a major area for corruption in industrialized countries (the examples of France, Italy and the city of New York were given) as well as in developing ones. In addition, it was recommended that the IIEP does not over-concentrate on teachers' issues.

Regarding those elements of the education system most affected by corruption, a participant advised adding performance, morale and ethical behaviour, especially in relation to the recruitment, promotion and appointment of teachers and administrators, and for compensatory measures/incentive systems.

Finally, one question was raised regarding the methodology to be used to measure the impact of corrupt practices on the objectives of education (access, quality and equity). It was said that it is very useful to know, for instance, the exact number of teachers that have been recruited with unsuitable criteria; but more than that, one should be able to precisely evaluate the impact of this phenomenon on the quality of education. But no further input was provided on this issue.

"Should the IIEP concentrate its efforts on corrupt activities at planning level, at management level, or at operational level? At central, local or school levels?"

It was recommended that the IIEP not exclude the planning, management or operational levels from its work; indeed, it is rather artificial to try to separate them. Similarly, it was advised that the IIEP not prioritize central, local or school level. However, if time and resources will not permit all levels to be researched, then it was suggested that management and operational levels be given priority, as well as school level, where frontline administrators like headteachers and principals operate – especially if stress is put on petty corruption, in a context of a delegation of authority.

Methodologies

Participants were very much in favour of a pragmatic approach to dealing with corruption in education. They emphasized that the methodologies to be used should be designed according to the main objectives of the project and be therefore: descriptive, exploratory and/or prescriptive. They should also be designed according to the project's ultimate outcome, which will be either: improving efficiency in education or bringing corruption into the national debate. More specifically, they advised that the following guidelines be considered, namely:

"How does one address the issue of reliability and accuracy of the data collected?"

It was highly recommended to go above and beyond anecdotal information when dealing with the issue of corruption, by trying to collect *systematic evidence* of distortion in the process of public spending. One method presented relied on the collection of frontline

data at school level, from service providers. Drawn from the experience of the Research Department of the World Bank, it consists of comparing the budget allocated to schools and the actual services provided by these schools. The major merit of this quantitative approach, is to highlight facts which can provoke reaction within the community concerned and accordingly help design strategies to overcome the problems identified.

The benefit of such an approach was illustrated by the experience of Uganda, which decided to take immediate action on the strength of information disclosed regarding the amount of money given to schools (which appeared to vary according to the 'bargaining power' of each educational institution). One action consisted of publishing in the press all the monthly transfers made by central authorities to local governments for various basic services, including education; another was to post information on the actual receipt of funding at every school – in other words, to use information both as an eye-opener and as the solution to the problem. The method used in this case was presented as particularly innovative and likely to be replicated in other contexts, as it achieved the production of empirical evidence which actors could make use of in order to voice their complaints and argue their cases.

It was advised that this quantitative approach be complemented with stakeholder analysis, focus-group discussions and perception surveys. The collection of qualitative data was thus presented as indispensable to understanding the rationale for actors' behaviour. Particular emphasis was laid on perception surveys, which can help quickly diagnose the major issues at stake. A few participants shared their experience in this area; they stressed that in some cases, there is a remarkable convergence between the perceptions of households, for instance, and of local and central governments; in other cases, there is a total divergence.

67

"How does one overcome the reluctance of countries to conduct participatory diagnoses?"

There was consensus on the need to complement technical approaches with participatory approaches to diagnoses, so as to 'add voices' and to build ownership in the overall process, in view of the formulation of concrete proposals for change. It was recommended that the IIEP capitalize on other organizations' knowledge in this area, in particular CIDA, which has tested such methodologies in several Ukrainian cities.

In order to progress towards this end, it was stressed that the IIEP should develop partnerships with a wide variety of actors at country level, including central and local authorities, anti-corruption agencies, unions, parliamentarians, NGOs, etc. in order to establish a broad coalition around the activities that it is planning to undertake (it was noted that partners can vary according to levels). The problems could be identified with the help of these actors, and a common understanding of the work to be implemented (its scope, assumptions, areas of focus, and so on) could be reached. This would help to create the optimum conditions to carry out the research and in particular to guarantee ease of access to information. Ultimately, this would strengthen the credibility of the overall process, raise people's interest in its results, and increase its ability to influence the present reality.

So as to facilitate the dialogue with national partners it was proposed that emphasis be put on the *right to development, education and information*, following a rights-based approach. Participants were reminded that education has been promoted as a human and fundamental right (ratified by almost all countries through the Convention on the Rights of the Child), and as such citizens have the right to demand that the system providing free basic education is held

fully accountable to them. More specifically, it was suggested that the goals set at the World Education Forum in Dakar be referred to. Indeed, these do not constitute an option for countries, but rather a constitutional imperative, as is the case in Mexico. Similarly, in countries where the right to information has been recognized, as is the case in some Indian states, parents have the right to ask for information about the amount, distribution and use of educational resources. In other words, there exists a legal basis for addressing problems of accountability within the education sector that the IIEP should take advantage of.

Finally, it was concluded that there is no point in working in a country where there is no *political will* to fight corruption. One suggestion was made, to look at countries that have recently experienced a change in government and which may be more willing to address corruption problems. The example of Ghana was given to illustrate this point; indeed, after the last elections, which brought about a change in government, the Ghanaian authorities stated their commitment to the fight against corruption.

"How to articulate IIEP's intervention within broader public-sector reform?"

Addressing the issue of corruption from the global perspective of public-sector reform, was presented as particularly relevant by participants. They emphasized that the diagnosis of current practices in the education sector cannot be examined separately from those in the rest of the public sector. Similarly, measures taken to try to change corrupt practices cannot be applied only to the education sector, with the exclusion of other public sectors. The design of teachers' codes of conduct, for instance, has to be viewed within the overall context of the reform of civil servants' systems of regulation. However, it was concluded that the specificity of the education sector has to be properly considered, whenever justified.

"What partnerships could the IIEP consider both at international and at national level to proceed in its fieldwork?"

Given the importance of building broad coalitions in order to be able to address corruption issues efficiently, participants recommended that the IIEP work in partnership with local, national and international actors. It was suggested for instance that the Institute establish links with local research institutions as well as with national Chapters of Transparency International. There was some discussion on the possibility for the IIEP to work directly with anti-corruption commissions or agencies – such as the one created in Tanzania, which possesses a research department. It was concluded that the Institute, as an intergovernmental organization, cannot bypass public authorities by establishing direct links with these independent bodies (even though most of them are publicly funded). It was also pointed out that the IIEP could integrate its action under the umbrella of sector-wide programmes, as part of an international team, with the objective of bringing transparency and accountability concerns to the fore. Finally, it was proposed that the Institute consult the databases of donors and development banks, as well as of the Commonwealth Association for Public Administration and Management (CAPAM).

"More specifically, how far can the IIEP rely on the 'clients' of the education sector (the young and their parents) to conduct some of the activities that it has in mind?"

There was a clear recognition of the importance of the 'people's voice', in order to limit corrupt behaviour within the public sector. In this regard, it was suggested that the IIEP pay attention to strategies aimed at improving users' access to information and to promoting democratic decentralization.

Various initiatives aimed at combating corruption through the use of information and communication were thus described as successful practices to be further explored. The principle here is that 'the moral enemy of corruption is the spotlight'. The examples of India or Kenya were highlighted, where information on school budgets has been made accessible to all, by displaying it on the school door or on the blackboard; this has allowed increased transparency in the use of resources. Another example given was that of Argentina, where the outcomes of a study led by Transparency International showing that there was a threefold difference in the procurement price for school lunches, were diffused widely; this brought about price reductions within a couple of weeks. It was further stated that the promotion of the 'right to information', constitutes a very efficient tool for improving accountability. It was noted in this respect that only 24 countries currently have a 'right to information' Act in place.

Another promising approach presented by some participants, which should be given further attention, lies in extending lines of accountability down to the users. The example of two Indian states, namely Rajasthan and Madhya Pradesh, where such mechanisms have been set in place, were described to illustrate this point; it was stated that these examples show that what was called 'democratic decentralization' can help to increase enrolment and literacy rates. It was concluded from this that it is not the creation of decentralized institutions that brings about an increase in accountability; what increases accountability is the assertion of the people's voice through the implementation of decentralized processes.

However, it was pointed out that it is not easy to encourage people to voice their opinion if they are not accustomed to doing so.

Approaches

"How far should the study of approaches to fighting corruption within the education sector incorporate changes occurring in the public sector at large and in other related sectors?"

Considering what happens in the public sector as a whole when tackling the issue of corruption in education was considered all the more relevant by participants, as there are strong relationships between the two; it was argued in particular that there is a significant, negative correlation between grand corruption and government expenditure on education.

More specifically, a suggestion was made to consider corruption in the broader framework of public service delivery (PSD). It was highlighted that one of the main problems encountered in low-income countries is in fact more one of poor service delivery than of corruption per se. Among other problems to be taken into consideration is the lack of an adequate, effective incentives system. Using the PSD approach could help to address these issues positively, by looking at ways to increase the efficiency of the overall system. This has been explored during recent years by the Research Department of the World Bank, which has decided to focus its work on the delivery of basic services, specifically health and education.

"Similarly, should we make a reference to the link between corruption and SWAPs?"

Participants did not refer explicitly to the link between corruption and sector-wide approaches. But some of them evoked the possibility of investigating the complex regulations imposed on countries by aid agencies, which sometimes contribute to creating new opportunities for corruption as countries try to bypass these rules.

Others suggested examining systems of monitoring which would help to improve accountability in the use of international aid; two major problems were identified within this framework: the non-integration of aid into government budgets; and the multiplication of monitoring units, which do not allow comprehensive assessment approaches. SWAPs were considered as a first attempt to address these issues.

Possible contribution of IIEP

Participants were reminded that the IIEP has a long history of research in areas such as sector diagnosis, budgetary processes, systems of information and teacher management. But it was felt that its new programme on "Ethics and corruption in education" could help it to better introduce accountability concerns into its research and training activities, and better focus on issues such as resource misallocation, or implicit incentive systems.

> *"Should the IIEP limit its contribution to positive approaches to the problem or should it try to address the problem of corruption directly by analyzing the main opportunities for corruption within the education system, and making a diagnosis of the system accordingly?"*

It was highlighted that to be successful when tackling the issue of corruption in education, one should try to be *problem oriented*; it could be specified for instance that attention will be paid to the fight against embezzlement in order to *improve the equality of access* to the education system; or to the *mechanisms of food distribution* in school in order to better rationalize it. This approach (problem oriented) offers several advantages. Firstly, it sends out a signal that one does not intend to tackle all the problems at the same time. Secondly, it could help put into place the mission to be undertaken

and to orient efforts according to the outcomes set. Thirdly, it could favour the commitment of various stakeholders in the process, such as Members of Parliament (if it is the legislation which is to blame), parents or non-governmental organizations, etc. Fourthly, it could help solve the problem identified by presenting it from a positive angle.

"Are there important activities to be included in IIEP's project, in addition to those already mentioned in Point 7 of the background document?"

There was a lot of debate on the proposed activities contained within the framework of the IIEP's new programme; several suggestions were made to launch additional activities. A summary of these discussions is presented in Point 3 below.

In addition, participants insisted on a number of 'best approaches', which would be worth more in-depth analysis. Generally speaking, most of them indicated that, in their view, *preventive* measures rather than *coercive* ones should be given priority. Among these preventive measures the following were referred to: the enforcement of the legal environment, the definition of clear norms, the homogenization of databases from one administration to the other, the development of comprehensive codes of practice (open to international scrutiny) for practitioners, the promotion of an anti-corruption culture as a core value, the review of the existing incentives and rewards system. The example of the recent establishment of an anti-corruption commission in Ethiopia was referred to in this context, to illustrate the importance of enforcement mechanisms; an assessment of the existing structure had shown in this case that problems had not arisen due to a lack of codes of practice, but rather on their implementation. A three-pronged approach was adopted to remedy this, including prevention, education and investigation.

In the same vein, participants warned the IIEP against approaches aimed at fighting against corruption, which may lead to more bureaucracy and, finally, to inaction. Someone referred to the example of France, where the rule of 'incrimination for favouritism' has contributed to a paralysis of some local authority activities. This rule assumes that if mayors do not respect certain formalities regarding tenders, for instance, they will be suspected of favouritism, and therefore will be prosecuted - even though the intention to do wrong was absent. This has had adverse effects as local officers do not only fear taking decisions; they prefer not to run for election again. Another contributor talked about the example of countries which, in order to check mismanagement or corruption, have created several levels of supervision (with 'supervisors of supervisors'), which has contributed also to longer delays and new opportunities for corruption. It was concluded that the remedy is not to weaken the action against corruption in the fear of inaction, but rather to be careful when preparing new legislation; to develop appropriate systems of monitoring and accountability; and to increase the cost of corruption to beneficiaries, by making better use of existing legislation, and by publicizing corrupt practices.

Finally, participants emphasized that efforts should be made to bring corruption to the forefront of national debate, and to accompany reforms aimed at strengthening the capacity of countries to fight against it. Sensitizing educational administrators and planners to new management approaches, including those with an ethical perspective, could play an important role within this framework; the challenge here would be to add a more emotional dimension to the traditional cognitive approach of such training.

To conclude, one participant called for some 'compassion' in the fight against corruption within the education sector, given its size and the huge financial and human resources that it encompasses.

3. Discussion on activities

Considering that corruption is perceived in different ways depending on the region, one participant recommended that the IIEP start its new programme on "Ethics and corruption in education" by launching several state-of-the-art papers at regional level. In this way the issue of corruption could be better defined according to different cultural contexts, and the major opportunities for corruption in each region could be reviewed, in terms of school construction, teachers' salaries, the provision of food, examinations, etc. It was agreed that industrialized countries should be included within the scope of the research.

Other participants suggested using the first activity proposed in the new IIEP programme - namely, the methodological case study - as an 'umbrella study' that could guide the overall project; proposed activities 7(b) to 7(g) could provide specific examples to highlight some of the issues addressed in 7(a). This would help to establish a global overview of the problems, and articulate the other activities proposed, in order to illustrate some specific points or to explore particular issues. This should also facilitate, later on in the process, the development of training materials. As an example, a large-scale audit of education-sector management in Mexico could be undertaken in order to identify major opportunities for corruption; on this basis, a deeper analysis of the role of teachers' unions could be made. It was also put forward that five of the seven studies proposed could feed a larger study on the costs of corruption in education, which could be undertaken at a next stage.

78

A few speakers pointed out that the proposed activities were more focused on the issue of corruption rather than ethics. As a consequence, it was suggested that more emphasis be put on ethics, in particular with regard to the proposed study on teachers' codes of conduct, and the study devoted to private tutoring (which could be linked together). It was emphasized in this respect that the cost of unethical behaviour can be very high, as illustrated by the issue of teacher absenteeism. However, a remark was made regarding the difficulty of dealing with the issue of ethics, whose scope, contrary to corruption, is quite diffuse, and whose impact cannot easily be measured nor reduced to costs and figures.

One participant highlighted the fact that all the proposed activities dealt more with corruption than anti-corruption issues. It was stated that corruption is only an epiphenomena of a variety of problems; and that the most important aim of the project should be to find ways of tackling these problems. When one comes to the role of corruption in the payment of teachers, for instance, what matters most is how to improve transparency in the functioning of the mechanisms in place, and how to develop appropriate systems of incentive for teachers so as to improve their motivation. One participant took the case of Transparency International to illustrate the importance of having, for each of the activities proposed, a long-term perspective, and a clear strategy of how to introduce the issue of corruption in the agenda of policy-makers and planners. It was also recommended that stronger emphasis be put on preventive approaches.

In order to strengthen the impact of the programme and provoke a shake-up in terms of public opinion, it was suggested that an international policy forum be organized (or, alternatively, regional policy fora) on the issue of corruption in education.

Finally, it was proposed that a clearer distinction be made between those activities that would draw on previous works already conducted on the issue of corruption, and those that should represent a real added value in terms of information and knowledge.

Furthermore, participants gave specific comments on each of the activities described in the background document. These are summarized below:

(a) Methodological case study on the audit and management of an education system

Participants underlined the importance of this study, which should allow a comprehensive picture to be drawn of opportunities for corruption within public education systems and to identify, within this framework, corrupt practices. They reformulated its main objective, which should consist of re-engineering the delivery of public educational services in such a way as to limit corruption phenomena, and to improve the system's overall efficiency, accountability and transparency. More specifically, it should enable countries: to develop assessment tools taking into account corruption concerns; to better evaluate the nature and magnitude of the problems at stake; to improve performance management in particular through the setting up of measurable targets; and to design and implement prevention tools.

Speakers exchanged views on the main steps that should be involved in the implementation of the study; four main steps were identified, namely: the design, testing, application and dissemination of a methodology for auditing corrupt practices. However, it was strongly recommended that some additional work be conducted in parallel to analyze the main causes for these practices and how they have developed through time. This should involve a review of the

main factors that facilitate corruption: weaknesses in the legal and judicial framework and institutions, lack of transparency in the decision process, absence of clear rules and regulations, limitations in audit and control institutions, low efficiency and poor ethical values. The study should thus include both legal and functional analyses, and follow both a theoretical (references were made to the sociology of organizations) and empirical approach. It was also advised that the study be led at a manageable level to allow a detailed analysis of stakeholders as well as of the routines in place (is there open bidding; how do schools receive funds?, etc.).

Participants advised the IIEP to better focus the work according to the major corruption issues existing within the education sector. For each domain of management (i.e. procurements, recruitment and payment of teachers, allocation of funds, distribution of food, etc.), core problems should be identified. In order to prioritize these problems, it was recommended firstly, to make better use of available literature to raise questions for research; secondly, to crystallize the hypothesis that educational planners and administrators have on what the main opportunities for corruption in education are and to tap into these critical issues; thirdly to define in a participatory way the major problems, with the help of the various actors involved in the educational process; and fourthly, to use survey questionnaires to generate information.

There was some controversy about the usefulness of traditional auditing methods to uncover corruption. Indeed, a few participants underlined that it would be difficult to collect evidence of malpractice through audit (for instance by tracking financial flows, as far as 'money is fungible'), and that it may even create problems. As a consequence, one of them suggested starting the study by analyzing examples from the past and referring to studies that have

already been conducted within the education sector by bureaux of anti-corruption, such as in Argentina or Peru. Another participant, referring to her experience in various Asian countries as regards auditing, stated that information is quite easy to access though traditional audits. Yet most participants were in favour of developing specific methodological tools, on the basis of the experience accumulated in this area by other actors in various sectors, including the OECD, USAID and CIDA.

There were discussions on the need to collect evidence of malpractice. Some participants advised the IIEP to undertake micro-level studies, consisting of quantitative analysis of educational services delivery, complemented by household surveys 'from the users' side', so as to collect micro-evidence of misuse of funds. Other participants insisted that the problem is not so much to collect evidence of malpractice, but rather to describe the mechanisms in place and to emphasize the cost of corruption, in order to facilitate improvements in the procedures being used. It was concluded that the study should be based on *a large survey, which would combine the collection of both quantitative and qualitative data*, with the help of focus-group discussions, as well as in-depth interviews with key stakeholders (i.e. local authorities, teachers' unions, parents' associations and field NGOs).

There was also some debate on the number of countries that should be included in the scope of the research. Some people were in favour of involving several countries (one country per region) in order to identify common elements from which a methodology could be drawn; others proposed testing the methodology in one country to start with and then applying it to other countries using a common framework.

Participants suggested examining the study under the perspective of Education for All, so as to better emphasize that its objective was not to sanction individuals, but rather to help countries progress towards the goals set at Dakar. It was also stated that the study should be demand driven and that a real political will should exist to see it implemented (this may be facilitated when a country undergoes a change of leadership for example).

Finally, it was recommended that proposals for change be produced as a result of the activity, and that this is properly followed up so that the study – in addition to its contribution towards the setting up of assessment methodologies – can help move the agenda forward at country level.

(b) State-of-the-art paper on decentralization in the education system

To start with, one participant underlined that the relationship between decentralization and corruption is not specific to the education sector, and, as a consequence, should be analyzed through all public sectors.

However, there was some disagreement on the relationship between decentralization and corruption. Some participants declared that, by establishing new filters, decentralization favours the spread of corruption within the educational field. Others said that, on the contrary, decentralization contributes to reducing opportunities for corruption in education, through a better sharing of competences and the establishment of new mechanisms of regulation. One speaker argued that decentralization does nothing else but segregate corrupt practices into various administrative levels. Another contributor stated that the cost of corruption is different for each administrative level; as a consequence, any decision aimed at redistributing competences between levels will necessarily affect the overall cost

of corruption. As a conclusion, participants recommended that *the IIEP look at different forms of management of the education system, to analyze which model – either up-down or down-up – seems to be the most successful in order to limit corrupt practices.*

More specifically, one participant suggested that the Institute pay attention to the impact of 'democratic decentralization' on the transparency of decisions taken, as well as on the accountability of educational actors – and, moreover, on educational indicators. He made the assumption that between the two major systems of regulation that exist to limit corrupt practices, namely the law and parents and students, the latter (namely parents and students) is certainly the most powerful. As a consequence, the empowerment of parents and students may well contribute to limiting corrupt practices in an efficient way – community teachers, for instance, may feel more accountable than ordinary teachers, especially if they are given short-term contracts. In the same vein, it was stated that school-based management may well help to address corruption issues.

Further proposals were also made, namely: to analyze the impact of deconcentration versus decentralization on corruption; to take into account the gain in efficiency induced by decentralization when assessing its impact on corruption (a gain in efficiency may well counterbalance an increase in corrupt practices); to look at the capacity of central authorities to set targets, monitor the system, etc. as well as at the financial, human and technical capacity of decentralized agents to manage the new competences that are transferred to them – all factors that condition the development of corruption. Finally, it was suggested that Pakistan might be an interesting case to consider as regards decentralization.

(c) State-of-the-art paper on academic fraud

The main suggestion here was *to lead the study at higher education level*, rather than at secondary level.

Participants encouraged the IIEP *to take into account the implications of the explosion of the Internet for academic fraud*, and alluded to recent trends observed in this area, such as the development of 'paper mills' as well as of 'diploma mills' on the web. One of the participants briefly presented his work in this area, explaining that he had undertaken some research on the web to identify existing paper mills, to analyze the topics that they cover, and to see how much they charge. He discovered that most of them were based in the USA; and that "the more you pay, the better chance you have to get a good mark". Another participant indicated that new technologies can also be used to detect malpractice; new search engines, for instance, have been elaborated specifically to track plagiarism.

Another major issue mentioned was the influence of powerful private companies on the results of scientific research work. The example of pharmaceutical companies, that fund research activities and which, as a result, influence the conclusions drawn from the research, was given to illustrate this point. A reference was made to leading editors of medical journals from the USA and the UK, that have set up a common code for all the articles that they publish; for instance, funding bodies are named alongside any research published in their journal. A proposal was made by Transparency International to collaborate with the IIEP on this high-profile issue, which affects academia from the industrialized world.

(d) Comparative study on teachers' codes of practice

Participants underlined that in a growing number of countries, more emphasis is put on the professional conduct of teachers, parallel to the development of new educational content that emphasizes ethical values. They regarded teachers' codes of practice as a key area for analysis, which shouid help throw light on conduct that entails important leakage of resources - such as the payment of fees to be admitted to school or to take an examination, the obligation to take private lessons in the afternoon to go up a class, or the absenteeism of teachers. One remark was made in this connection, stating that corruption refers not only to situations where someone takes a bribe to offer a service, but also where someone chooses not to offer a service for which he or she is paid.

Referring to the Code for Education Profession of Hong Kong, one participant introduced a distinction between three types of rights to be included in teachers' codes, namely: political rights, welfare rights and professional rights - the latter being the most important to be taken into account for this particular study. Other participants insisted on the need to better define the ethics of teacher 'professionalism', on the basis of the various works that have already been undertaken in this area. This is quite a delicate issue, given the autonomy that teachers traditionally benefit from in most countries.

It was recommended that the purpose of the study, which is to improve ethics in education, be better emphasized. It was also suggested that teachers' codes of practice be analyzed side by side with more general professional codes (in Viet Nam, for instance, codes are similar for different groups: teachers, inspectors, parents, educational administrators, etc.) and general services' codes. Based on the experience of Ethiopia, where codes of conduct have been developed for various categories of public professional (i.e. ministers,

elected politicians, civil servants, judges, members of parliament), it was recommended that attention be paid to codes that have been designed in a participatory way, so as to create ownership. Finally, it was advised that the main problems that the codes are intended to address be clearly identified; and to analyze whether these codes seem adequate or not.

The importance of the issue of HIV/AIDS when dealing with teachers' codes was raised. It was emphasized that the practices involved here have to do more with ethics than corruption: not abusing the children, not bullying them, and so on – all attitudes that have contributed to the spread of the pandemic in Southern Africa. It was indicated that a code for teachers and civil servants has been developed at international level within the framework of the fight against HIV/AIDS, which is available on the ILO's web site. It was underlined that this code is quite useful – even though it remains very general, to avoid antagonizing too many people.

One participant wished to draw the IIEP's attention to the case of countries where specific mechanisms have been developed for handling teachers' disciplinary matters, or ensuring teacher compliance with professional codes of practice. Several examples were given to illustrate this point, including that of Malaysia, where professional audits are now conducted within the education sector; that of Hong Kong, where the General Teaching Council (GTC) has essentially an advisory role; that of Scotland, where the General Teaching Council can prosecute teachers; and that of Ontario, Canada, where the Ontario College of Teachers (OCT) also has responsibilities with regard to the monitoring of teachers' professional conduct. It was said that other countries have recently created this kind of body, such as Australia (New South Wales); others are exploring the possibility to do so, such as the United Kingdom.

Finally, some participants suggested referring to the management of information systems as a reliable tool not only for measuring the absenteeism of teachers (and its cost for the overall system), but also for following up on the number of teachers that are recruited, the payment of their salaries, etc. However, this raises several problems, including the harmonization of information across all ministries that are concerned with teachers (e.g. ministries of education, ministries for civil service, ministries of finance, etc.), and the collection of qualitative information to really be able to measure the phenomena at stake. In Africa for instance, absenteeism is often due to HIV/AIDS; as a consequence, a questionnaire would probably not be the best solution to measure it, but, rather, interviews with community members, to know exactly what the situation is – without risking the penalization of people who are sick.

To conclude, participants recommended not only undertaking a literature review, but also *generating additional knowledge with the help of a questionnaire*. It was also thought that contacting the ADEA working groups on the teaching profession (both the francophone and the anglophone ones) would be useful.

(e) Monograph on the production and distribution of textbooks and didactic materials

Participants strongly emphasized the importance of this issue. They underlined that the production and distribution of textbooks, which represents a significant part of a country's education budget, could provide an important source of leakage (it was estimated that on average teachers' salaries represent 90 per cent of the government recurrent spending on education; and that of the remaining 10 per cent, one of the largest shares goes to textbooks). It is well known that in a number of countries, due to a lack of facilities and capacities, but also because of corrupt practices, children do not receive

textbooks in time, or even do not receive them at all; books are very often unaffordable, adding to the cost of sending a child to school. In this context, participants invited the IIEP to look at strategies aimed at promoting more efficiency, equity and transparency in the processes involved. Some practical suggestions were made in this respect: for instance, rather than annually producing paperback textbooks, it was proposed that hardback textbooks be produced every five years to improve their durability. It was also suggested that textbooks be kept by schools, given free of charge to children, and taken back at the end of the school year, so as to reduce cost to the parents.

It was pointed out that the production and distribution of textbooks and didactic materials in a number of countries has tended to move away from the public sector to private publishers (including Mainland China, Hong Kong, Taiwan and Singapore). This has opened up two major opportunities for corruption: one is accelerated change in the syllabus content, to encourage the regular renewal of textbooks; another is the production of a growing number of supplementary materials (e.g. preparatory books, exercise books) that teachers and pupils have to buy – sometimes due to collusion between local educational officers and publishers. Within this framework, participants advised the IIEP to focus not so much on the leakage of money or materials during the process of production and distribution of textbooks, but, rather, on the tendering and bidding procedures being used and the way they are implemented (both from the suppliers' and the buyers' side).

One participant highlighted that the privatization of textbook production and distribution is not the major problem faced by African countries; it is, rather, the absence of incentive to value national authors, the lack of facilities for national or regional textbook

production and the monopoly exerted by foreign publishers - who are naturally happy to maintain the status quo. In the same vein, he suggested not paying too much attention to procurement procedures, but rather to concentrate on systems that would help improve transparency, in particular through the development of endogenous production. The analysis of procurement procedures could be made in other areas, such as school infrastructure, which constitutes a major part of capital investment. Particular attention could be given in this respect to the standards set for the design of buildings, as well as for the building materials to be used. In fact, it was stated that local designs and locally produced materials were often set aside, because of the pressure exerted by interest groups (either national or local) that push through other more financially advantageous alternatives.

Some participants emphasized that the importance of textbooks is being reduced in most countries. The first reason for this is the progressive integration of educational subjects, which contributes to reducing the number of textbooks needed; China, for example, has developed integrated examination papers. The second one is the production and dissemination of electronic materials as a substitute to textbooks. In this framework, participants said that the IIEP could decide to deal with the new opportunities of corruption offered by the production and distribution of electronic materials to schools; it could also pay attention to issues such as equipping schools with computers or connecting schools to the Internet.

There were discussions on the geographical limit given to the study, namely Africa. Some participants suggested broadening its scope to other regions, such as Latin America or Europe. More specifically, it was proposed that the situation in Mexico, which was presented as 'good practice' and has already been documented, be compared with that of several African countries. In Mexico, publishing

has become a very powerful, competitive industry, which involves both national and foreign editorial houses (including Spanish ones). These editorial houses have to comply with a code of ethics set by an editorial chamber. This system has proved to be very useful; it has enabled the production of 25 million textbooks annually, that are distributed to teachers and pupils before the school year starts. Other good practices were described: that of Norway, which has set up specific mechanisms for certifying or clearing the production of textbooks; that of Malaysia also, where the members of the curricula development centre are not authorized to take part in textbook writing activities, in order to limit risks of leakage of information before the new syllabus has been devised or designed.

But some participants were more in favour of keeping the focus on Africa, where the issue of textbook procurement is particularly complex, given the small size of the market, the multiplicity of languages involved, the predominance of Northern textbook suppliers (either French or British) and the reluctance of countries to develop common content on particular subjects, such as mathematics, which does not improve the situation. It was even stated that textbook procurement certainly constitutes the greatest source of discretionary funds within the education sector in this region (as many primary schools are built by the communities themselves, opportunities of corruption in the area of construction may be quite limited).

It was concluded that if resources are available, the scope of the study could be broadened *to include examples from two or three Latin American countries* (such as Mexico or Brazil), which have succeeded in bringing more transparency to the processes involved in textbook production and distribution, to improving respect for the norms in this area and to promoting the overall quality of didactic materials.

Finally, it was proposed that the IIEP build upon the work already conducted by the ADEA in this domain, as well as on a study on textbook procurements involving the World Bank, which is currently under way.

(f) Monograph on the recruitment and payment of teachers

It was suggested that the problem of recruitment and payment of teachers be linked with the improvement of educational information systems. In addition, it was proposed that this problem be better articulated with the issue of decentralization and its impact on corruption. In fact, as more and more countries decentralize their education systems, recruitment and payment processes are being taken charge of more often by local authorities, or even by the schools themselves - which, while limiting some opportunities for corruption, can create new ones. The example of the United Kingdom was given, where independent schools which have opted out of the local education authority, are responsible for recruiting their own teachers, paying them, etc.; they receive a budget for this purpose, which they can use with the approval of their board.

Another important point was raised concerning the involvement of teachers' unions in the recruitment, promotion and payment of teachers, which can lead, in certain cases, to corrupt practices. The example of Mexico was referred to, where unions have the responsibility of proposing candidates for vacant posts. In this case, teachers have to be part of a union to be able to get a position. The only thing that public authorities can do is to check whether the profile of the person proposed fits with the requirements of the post. Various studies describing this situation have already been conducted by critical academics. The problem is particularly acute in countries where teachers' unions are very powerful political bodies; and where, as is the case in India, teachers can run for election.

Alternative examples where public authorities have succeeded in building alliances with teachers' unions, within the broader framework of the 'educational community' at large, were mentioned. In Norway for instance, the state gives a certain amount of its budget to the unions and provides funds for hiring union officials. In this respect, it was suggested that the various modes of organization between public authorities and teachers' unions be mapped out through a survey, and to subsequently analyze to what extent they help to improve transparency in the way teachers are recruited and promoted. It was proposed that the case of the Russian Federation be included in the scope of the study.

One participant underlined that even though teachers constitute the largest category of civil servant (apart from the army), the problems that arise with their recruitment and payment are not peculiar to the education sector. They have to be put in the broader context of public-service management, and the reform of its income distribution policy – which determines how to fix salaries, administer payments, etc. This could help to find a rationale for change in a domain where, although the problems are well known, little has been done to improve the situation (including within the framework of adjustment programmes).

It was also stated that – maybe more important than the problem of recruitment and payment of teachers – there was the issue of teacher absenteeism and of 'ghost teachers', which constitutes a major obstacle to the objective of providing a high standard of basic education for all in a number of countries.

To conclude, it was proposed that the terms of reference of the study should include *the impact of teachers' unions on the management of the education system* (in particular the recruitment and payment of teachers), which can lead, in some cases, to corrupt practices.

(g) Monograph on the recognition and financing of private tutoring

Participants mentioned examples of countries where private tutoring has become a widespread practice. They evoked the case of schools comprising two teaching shifts, where teachers make it clear to their students that if they want to dramatically increase their chances of success, they have to attend the private classes that they organize in the afternoon.

It was suggested that the issue of private tutoring be tackled jointly with the issue of teachers' codes of practice. It was also recommended that this is better related to the problem of ethics.

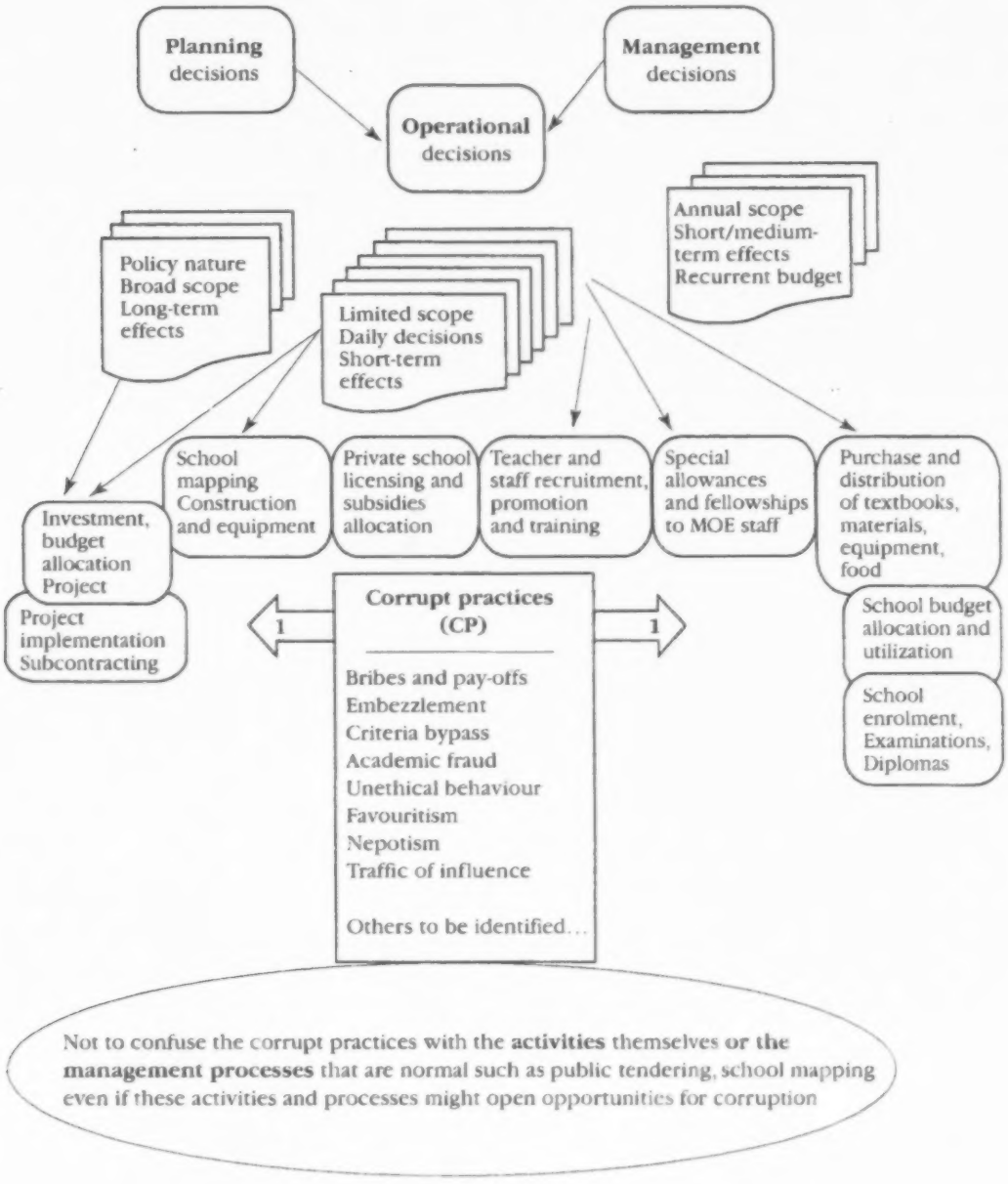
Besides this, one participant underlined the need to identify the reasons for offering private tuition, so as to be able to formulate adequate strategies to better regulate this practice. The low salary of teachers, in particular, is one of the main issues that would have to be taken into consideration in this framework. Nevertheless, it was stated that an increase in salaries alone would not solve this problem; and that the complexity of the issues at stake should be more closely examined.

In addition, it was stated that private tutoring should constitute only one of the 'additional costs' to take into account when analyzing the cost of corruption in education. Many other issues could be considered, such as: the bribes given by parents to have their children admitted to schools; the purchasing of textbooks that are supposed to be free of charge; the allocation of scholarships; the issues relating to examination success, etc. The possibility of reflecting on the *methodologies to be used to properly measure the cost of corruption in education* was evoked in this respect. In fact, it appears crucial to try

to better assess the magnitude of corruption in education, and to evaluate its impact – particularly in comparison to mismanagement.

In conclusion, it was proposed that the information collected be completed using studies borrowed from the data banks of donors and of development banks. It was also recommended that the project rely on the Chapters of Transparency International and on anti-corruption commissions, whenever they exist, to conduct fieldwork.

Figure 1. Educational activities and corrupt practices: need for clarification[1]



1. Graphics prepared by Mahieddine Saïdi.

94 BEST COPY AVAILABLE

Figure 2. Definition, conceptual framework and typology

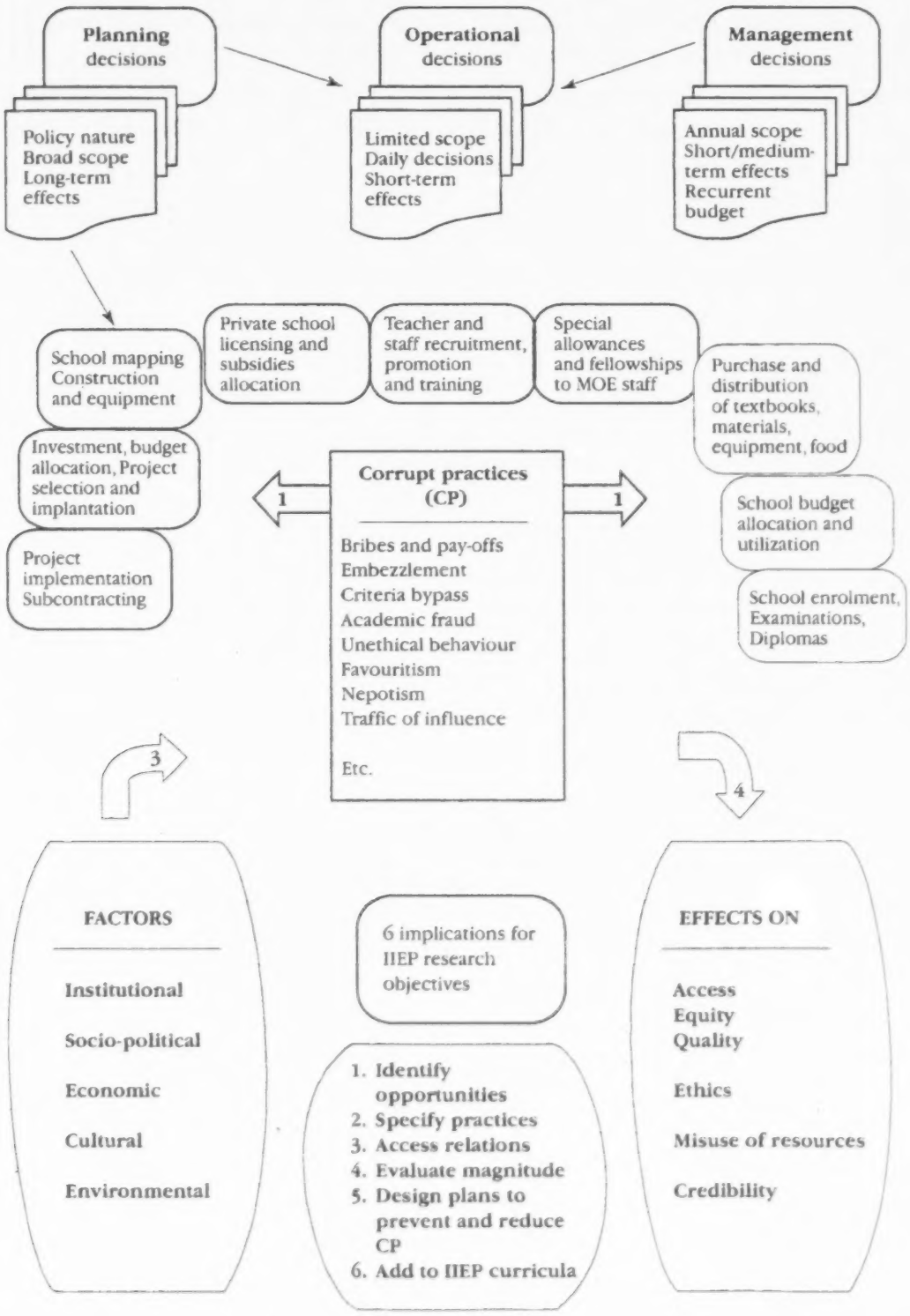


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Figure 3. Identifying opportunities for corrupt practices Examples in three 'activities'

Planning decisions
Operational decisions
Management decisions
1. Project
Fields for possible corruption (FPC)
Selection of projects for personal interests rather than national interest
Implantation in unjustified areas bypassing school-mapping criteria
Implementation process favouring particular suppliers or payoffs
Contracting through irregular processes to corrupting firms & suppliers
Contracts follow-up: weak delivery, quality and cost control
Evaluation and audits of project contracts and accounts (absence of)
2. Personnel administration (teachers and staff)
Fields for possible corruption (FPC)
Irregular recruitment and unjustified allocation
Unjustified promotion
Training and scholarship allocation by-passing criteria
Payment of salaries and allocation to ghosts
Non-observation of posting and transfer criteria for teachers during many years
3. School budgeting
Allocation and utilization
Use of scholar fees requested from pupils
Textbook and material to pupils against additional payments
Teaching hours paid and really delivered
School maintenance cost and quality control
Annual purchase of materials and equipment
Corrupt practices (CP)
Bribes and pay-offs, embezzlement, criteria bypass, academic fraud, unethical individual behaviour, favouritism, nepotism, traffic of influence, 'pork barrel', etc.

98

Figure 4. Corrupt practices: opportunities and prevention

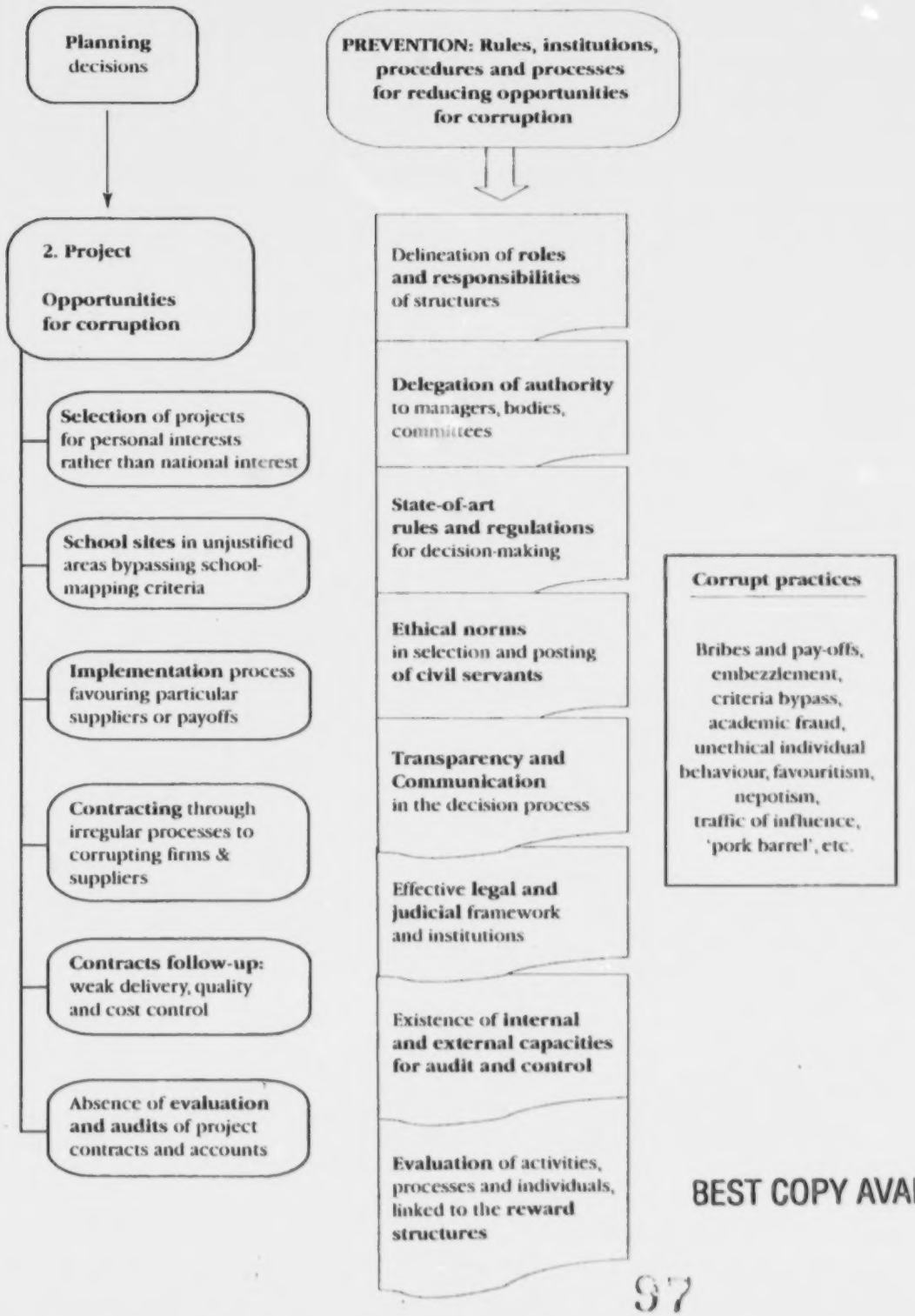
Planning decisions
2. Project
Opportunities for corruption
Selection of projects for personal interests rather than national interest
School sites in unjustified areas bypassing school-mapping criteria
Implementation process favouring particular suppliers or payoffs
Contracting through irregular processes to corrupting firms & suppliers
Contracts follow-up: weak delivery, quality and cost control
Absence of evaluation and audits of project contracts and accounts
PREVENTION: Rules, institutions, procedures and processes for reducing opportunities for corruption
Delineation of roles and responsibilities of structures
Delegation of authority to managers, bodies, committees
State-of-art rules and regulations for decision-making
Ethical norms in selection and posting of civil servants
Transparency and Communication in the decision process
Effective legal and judicial framework and institutions
Existence of internal and external capacities for audit and control
Evaluation of activities, processes and individuals, linked to the reward structures
Corrupt practices
Bribes and pay-offs, embezzlement, criteria bypass, academic fraud, unethical individual behaviour, favouritism, nepotism, traffic of influence, 'pork barrel', etc.

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Figure 5. Factors for prevention of corrupt practices

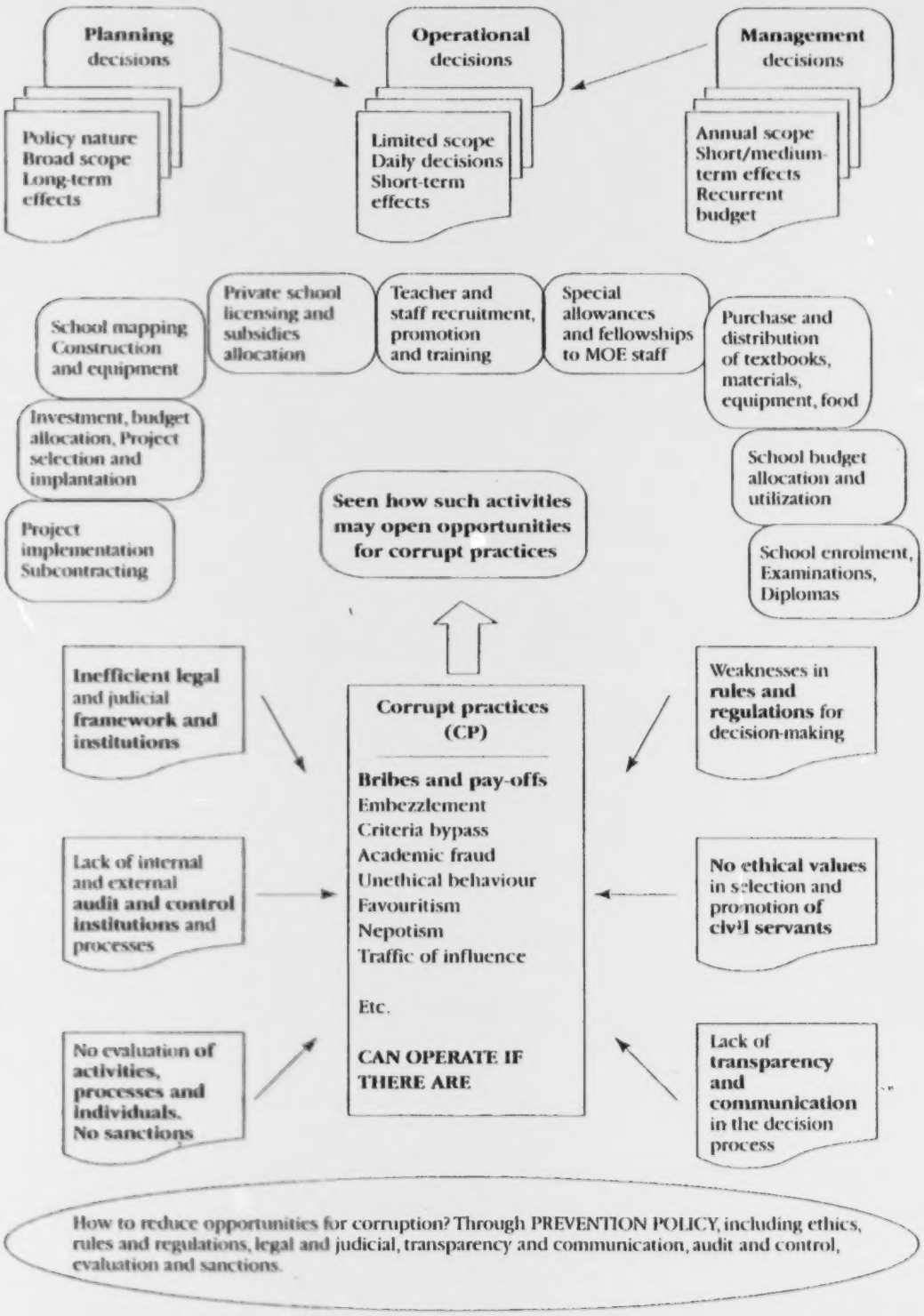
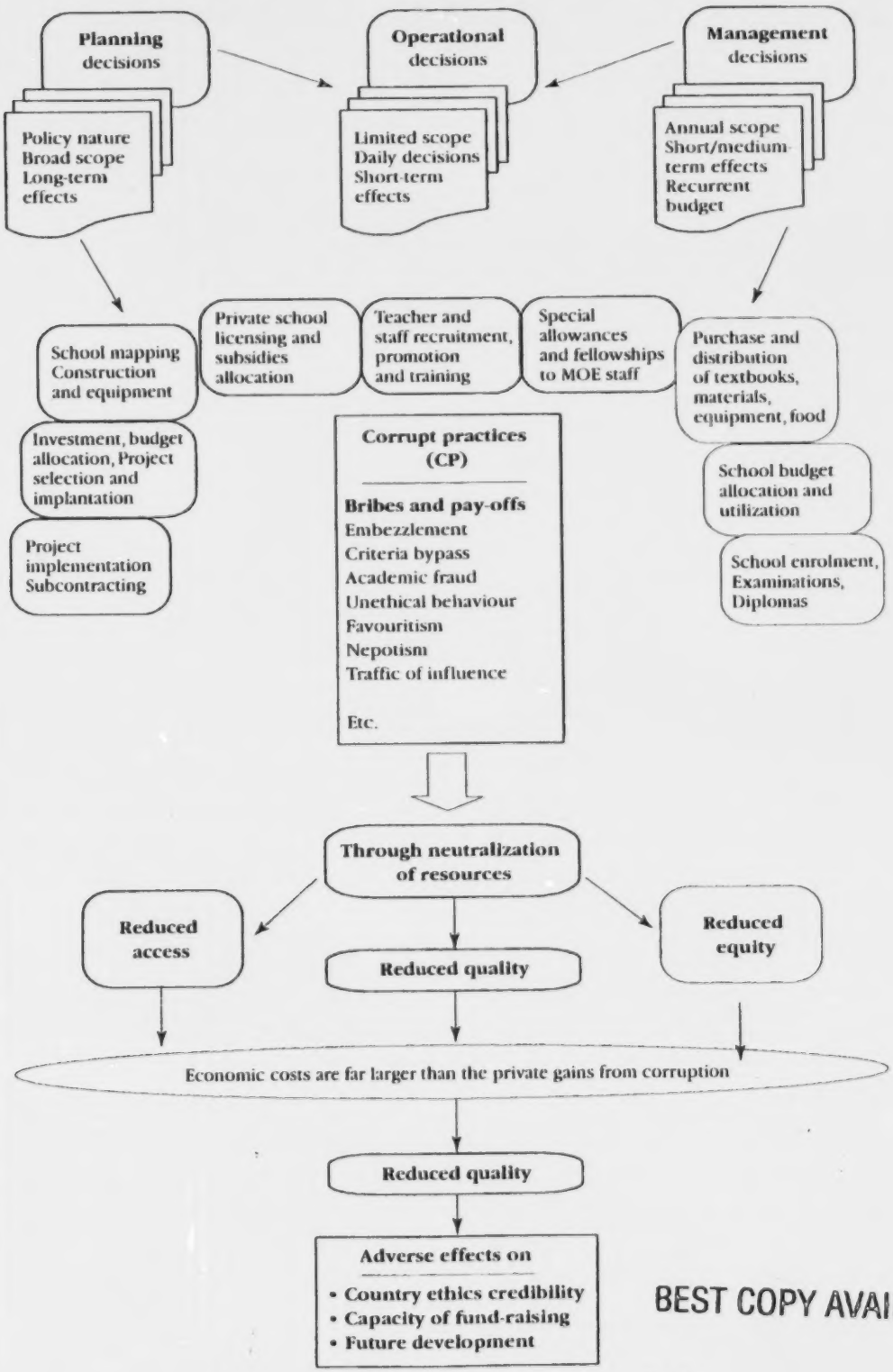

Planning decisions
Policy nature
Broad scope
Long-term effects
Operational decisions
Limited scope
Daily decisions
Short-term effects
Management decisions
Annual scope
Short/medium-term effects
Recurrent budget
School mapping
Construction and equipment
Private school licensing and subsidies allocation
Teacher and staff recruitment, promotion and training
Special allowances and fellowships to MOE staff
Purchase and distribution of textbooks, materials, equipment, food
Investment, budget allocation, Project selection and implantation
School budget allocation and utilization
Project implementation
Subcontracting
School enrolment, Examinations, Diplomas
Seen how such activities may open opportunities for corrupt practices
Inefficient legal and judicial framework and institutions
Weaknesses in rules and regulations for decision-making
Corrupt practices (CP)
Bribes and pay-offs
Embezzlement
Criteria bypass
Academic fraud
Unethical behaviour
Favouritism
Nepotism
Traffic of influence
Etc.
CAN OPERATE IF THERE ARE
Lack of internal and external audit and control institutions and processes
No ethical values in selection and promotion of civil servants
No evaluation of activities, processes and individuals. No sanctions
Lack of transparency and communication in the decision process
How to reduce opportunities for corruption? Through PREVENTION POLICY, including ethics, rules and regulations, legal and judicial, transparency and communication, audit and control, evaluation and sanctions.

Figure 6. Impacts of corrupt practices on educational objectives



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IV. SURVEY OUTCOMES

The information presented below has been collected in the framework of a survey led by the IIEP, conducted on the basis of a short questionnaire, which was sent to more than 30 bodies that are particularly active in the fight against corruption. The objective was to collect information about the projects/activities developed by these bodies on the issue of corruption, the approaches that they followed, and the lessons that they drew; to seek their advice on how best to address the topic "Ethics and corruption in education" – in particular by providing any information on a 'success story' of organizational reform to reduce corruption; and to ask for their suggestions on the organization of IIEP future work in this area.

Among the bodies contacted were international and regional organizations, bilateral agencies, development banks, NGOs, associations and foundations. Their rate of response is presented in *Table 2* below by category of actors contacted. The information was completed thanks to a search made on the web sites of these various bodies, including those that did not respond to the survey, and interviews conducted with representatives of some of the organizations concerned.

Table 2. Type of bodies contacted, with information on their responses

Category of actors (number consulted)	Sent or gave information on their activities in the area of corruption	Said that they tackle the issue of corruption indirectly	Said that they are not involved in activities on corruption	Did not reply (but have a web site gathering information on their activities on corruption)	Rate of response
International organizations (6)	3	2	1		6/6
Regional organizations (2)				2	0/2
Bilateral agencies (12)	1			11 (4)	1/12
Development banks (4)	2		1	1	3/4
NGOs/Associations/ Foundations (7)	2			5 (5)	2/7
Universities (2)	1	1			2/2
Total (33)	9	3	2	19 (9)	14/33 (42%)

1. Projects/activities developed by your organization on the issue of corruption

"What is the definition given by your organization to the concept of 'corruption'?"

▸▸ ***According to the OECD-DAC Centre***

- "The use of public office for private gains."
- "The sale by government officials of government property for personal gain."
- "Distinction between two types of corruption: firstly, administrative or bureaucratic corruption which involves the use of public office

for pecuniary gain and, secondly, political corruption involving the use of public office by politicians both for pecuniary gain and for purposes of remaining in office."

- "Distinction between 'corruption without theft' and 'corruption with theft'. The former occurs when an official demands a bribe but passes on the regular payment to the government. Corruption with theft involves instances where the regular payment is not made to the government."

» *According to the Council of Europe*

- "Bribery and any other behaviour in relation to a person entrusted with responsibilities in the public and private sector, which violates their duties that follow from their status as a public official, private employee, independent agent or another relationship of that kind and is aimed at gaining undue advantage of any kind for themselves or for others."

» *According to the Norwegian Agency for Development Co-operation*

- "Corruption is defined as any transaction between private- and public-sector actors through which collective goods are illegitimately converted into private-regarding pay-offs. It materializes in different forms including bribery, embezzlement, fraud, favouritism and nepotism. It is however difficult to delimit clearly what is corruption. What foreigners consider illegitimate or illegal governance practice, may be locally acceptable. To avoid ethnocentric condemnation, there is a need to develop internationally accepted concepts of corruption which delimit what behaviour should be regarded as corrupt."

- "Corruption materializes in different forms:

'Bribery' – involves the direct or indirect offer or provision of any undue payment, gift or other advantage to an official, in violation of his/her legal duties, in order to obtain or retain business or obtain any other undue favour. Bribery is at the centre of any definition of corruption. It always includes (at least) two parties.

'Embezzlement' – is the theft of public resources by public officials, and as such it is understood as another form of misappropriation of public funds. It may involve only one person.

'Fraud' – is crime that involves some kind of trickery, swindle or deceit, and it is a broader legal and popular term that covers both bribery and embezzlement.

'Extortion' – is when money or other resources are extracted from somebody by the use of coercion, violence or other threats to use force.

'Favouritism' – is a mechanism of power abuse implying 'privatization' and a highly biased distribution of common resources, no matter how these resources have been accumulated in the first place.

'Nepotism' – is a form of favouritism, where an office holder with the right to make appointments prefers to nominate his or her own kinfolk and family members, irrespective of their qualifications."

- "The commonly used dichotomy between 'petty' and 'grand' corruption relates both to the values involved in the transaction and the position of the involved people in the hierarchy. Grand corruption occurs when high-level political decision-makers or bureaucrats use their entrusted power to illegally enrich

themselves or to sustain their power. Grand corruption often takes the form of embezzlement of public funds and bribes or kickbacks from large-scale public procurement and industrial investments. Petty corruption is at the other end of the scale – when civil servants and low-level bureaucrats take advantage of their position to take bribes, extort money from the public or embezzle small amounts of money."

»» *According to the Canadian International Development Agency*

- "Corruption occurs at those points where political, bureaucratic and economic interests coincide. There is legislative corruption when politicians sell their votes to pressure groups, and administrative corruption when public officials take pay-offs to allow someone to secure a procurement contract or to evade taxes."

- "Distinctions can be drawn between systemic or pervasive corruption and more episodic forms."

- "The terms 'grand' and 'petty' are often used. 'Grand' refers to very large amounts and usually involves the most senior officials in the political, public or private sectors, or some combination. 'Petty' is often used to refer to small amounts, often facilitation payments or quasi 'user fees'. However, petty is relative. If the person affected is poor, or on a very low income, the term 'petty' may be far from appropriate."

- "Corruption is universal, and has both a demand and a supply side."

- "Some types of corruption: bribery, kickbacks, nepotism, collusion, influence-peddling, fraud, embezzlement, illegal levies, situations

where there is conflict of interest, illegal information brokering, organized crime, money laundering."

»» ***According to the World Bank***

- "The abuse of public power for private benefit" or "the use of public office for private or group gain."

- "Any transaction between private- and public-sector actors through which collective goods are illegitimately converted into private-regarding pay-offs."

»» ***According to the Asian Development Bank***

- "Corruption involves behaviour on the part of officials in the public and private sectors, in which they improperly and unlawfully enrich themselves and/or those close to them, or induce others to do so, by misusing the position in which they are placed."

- "With regard to the public sector, areas of 'improper and unlawful enrichment' typically include the design or selection of uneconomical projects because of opportunities for financial kickbacks and political patronage, or procurement fraud, including collusion, overcharging, or the selection of contractors and suppliers on criteria other than the lowest evaluated substantially responsive bidder. It also includes illicit payments to prevent the application of rules and regulations in a fair and consistent manner, particularly in areas concerning public safety, law enforcement, or revenue collection. It incorporates payments to government officials to foster or sustain monopolistic or oligopolistic access to markets in the absence of a compelling economic rationale for such restrictions. The theft or embezzlement of public property and monies, the sale of official posts, positions, or promotions,

nepotism or any other actions that undermine the creation of a professional, meritocratic civil service, as well as the extortion and abuse of public office, such as using the threat of a tax audit or legal sanctions to extract personal favours, also fall under this category."

- "With regard to the private sector, examples of corrupt behaviour include the deliberate disclosure of false or misleading information on the financial status of corporations that prevent potential investors from accurately valuing their worth, such as the failure to disclose large contingent liabilities or the undervaluing of assets in enterprises slated for privatization. It also includes the misappropriation of confidential information for personal gain, such as using knowledge about public transportation routings to invest in real estate that is likely to appreciate."

- "From time to time, it may be necessary to employ more specialized definitions of corruption to address particular types of illicit behaviour. In the area of procurement, for example, the Bank defines corrupt practice as including 'the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution'."

» ***According to Transparency International***

- "There are two quite separate categories of administrative corruption: the first occurs where, for example, services or contracts are provided 'according-to-rule' and the second, where transactions are 'against-the-rule'. In the first situation, an official is receiving private gain illegally for doing something, which he or she is ordinarily required to do by law. In the second situation, the bribe is paid to obtain services which the official is prohibited from providing. 'According-to-rule' and 'against-the-rule'

corruption can occur at all levels of the government hierarchy and range in scale and impact from 'grand corruption' to more ordinary, small-scale activities."

» *According to the Novartis Foundation for Sustainable Development*

- "One can define corruption as misuse of power for private benefit or advantage. This power may, but need not, reside in the public domain. Besides money, the benefit can take the form of protection, special treatment, commendation, promotion, or the favours of women or men. A more differentiated approach discloses a remarkably multiplex cluster of mores that is value-judged quite differently from culture to culture, and where its ramifications are concerned, accordingly heterogeneous".

- "Generally speaking, corruption encompasses four main distinguishing features: misuse of a position of power; gaining of advantages for those who, actively and passively, are parties to the misuse; undesirable effects on third parties (ramifications); and secrecy of the transaction".

"What are the main projects/activities developed in the area of corruption by your organization? What approaches do they take?"

Given the wide variety of activities listed under this item, the responses have been grouped according to the 13 categories of activity most frequently mentioned (see *Table 3*), namely: creation of databases, development of norms, advocacy, research work, promotion of good practices, setting up of specific assessment methodologies, policy dialogue, funding of specific activities/ projects, country support, assessment, training, partnership/ networking and the implementation of in-house rules.

Table 3. Organizations' main activities in the area of corruption

Organization	Database	Norms	Advocacy	Research	Good Practices	Assessment methodologies	Policy dialogue	Funding	Country support	Assessment	Training	Partnerships/ networking	In-house rules
OECD	X	X	X	X			X					X	
OECD/Centre of Development				X		X							
UN	X	X		X	X	X	X		X		X	X	
UNDP	X*		X	X	X	X	X	X	X	X		X	
Council of Europe													X
CIDA							X	X	X				X
DFID				X				X	X				
The Netherlands							X	X	X				X
NORAD	X		X		X			X	X			X	X
USAID			X		X	X	X	X	X	X	X	X	
World Bank			X	X	X			X		X			X
World Bank Institute				X		X							
Asian Development Bank						X	X	X	X	X	X	X	X
National Democratic Institute	X	X		X			X		X	X			
Ethics Resource Centre				X							X	X	
Asia Foundation		X		X			X	X	X	X			
National Democratic Institute	X	X		X			X		X	X			
NOVARTIS		X	X										X
Transparency International	X	X	X		X					X		X	
University of Birmingham		X		X					X	X	X		
United Nations University					X		X						

* To be launched

"What countries are targeted by these projects/activities?"
(see Table 4*)*

Table 4. Countries targeted in the area of corruption

Country	UN	UNDP	OECD	USAID	World Bank	TI**	Others
AFRICA							
Angola					X		
Benin		X		X	X	X	
Botswana						X	
Burkina Faso					X	X	
Burundi		X					
Cameroon	X				X	X	
Cape Verde					X		
Chad					X		
Côte d'Ivoire					X		
Eritrea					X		
Ethiopia		X			X (+WBI)	X	NORAD University of Birmingham
Gabon	X						
Gambia					X	X	
Ghana	X			X	X	X	CIDA DFID
Guinea					X		
Guinea-Bissau					X		
Ivory Coast						X	
Kenya	X				X	X	DFID
Lesotho					X		
Liberia					X		
Madagascar	X			X	X	X	
Malawi					X	X	DANIDA DFID NORAD
Mali					X	X	
Mauritania					X	X	
Mozambique		X		X	X	X	DFID NORAD Sida
Namibia	X					X	NORAD NDI
Niger					X		
Nigeria	X	X			X (+WBI)	X	CIDA
Rwanda					X		DFID
Senegal	X				X	X	
Sierra Leone					X	X	DFID

Table 4. (Continued)

Country	UN	UNDP	OECD	USAID	World Bank	TI**	Others
South Africa	X			X	X	X	DFID
							NORAD
							NDI
Tanzania		X		X	X (+WBI)	X (Ed)	EU
							CIDA
							DANIDA
							DFID
							FINIDA
							NORAD
							Netherlands
Togo						X	
Uganda	X	X			X (+WBI)	X	DFID CIDA
NORAD							
Zambia					X	X	DFID NORAD
Zimbabwe		X			X	X	NORAD
ARAB REGION							
Algeria					X	X	
Djibouti					X		
Egypt					X	X	
Jordan		X			X	X	
Lebanon					X	X	
Morocco		X			X	X	
Palestine							NORAD
Tunisia					X		
West Bank/Gaza					X		
Yemen		X			X	X	
ASIA AND THE PACIFIC*							
Afghanistan							ADB
Armenia							
Bangladesh		X		X	X	X (Ed)	ADB
							CIDA
							NORAD
							Asia F° (Ed)
Bhutan					X		ADB
Cambodia					X	X	ADB
							Asía F°
China					X		CIDA
							ADB
Cook Islands							ADB
Fiji						X	ADB
Hong Kong			X				ADB
India					X	X	ADB
							DFID
							UNICEF

Table 4. (Continued)

Country	UN	UNDP	OECD	USAID	World Bank	TI**	Others
Indonesia		X			X	X	ADB
							DFID
							Asia F°
Kazakhstan				X	X		ADB
Kiribati							ADB
Korea, Rep. of			X		X	X	ADB
Kyrgyz Republic						X	ADB
							NDI
Lao PDR					X		ADB
Malaysia					X	X	ADB
Maldives					X		ADB
Marshall Islands							ADB
Mauritius		X			X	X	
Micronesia							ADB
Mongolia		X			X	X	ADB
Myanmar							ADB
Nauru							ADB
Nepal		X			X	X	DFID
							NORAD
							ADB
							NDI
							Asia F°
Pakistan		X	X		X	X	ADB
							NORAD
Papua New Guinea					X	X	ADB
Philippines		X	X	X	X	X	ADB
							Asia F° (Ed)
Samoa							ADB
Sri Lanka					X	X	NORAD
							ADB Asia F°
Tajikistan					X		ADB
Thailand					X	X	ADB
							Asia F°
East Timor		X					ADB
Tonga							ADB
Turkmenistan							ADB
Tuvalu							ADB
Uzbekistan					X		ADB
Vanuatu						X	ADB
Viet Nam					X		ADB
							Sida
OECD COUNTRIES							
Australia						X	
Austria						X	
Belgium						X	

Table 4. (Continued)

Country	UN	UNDP	OECD	USAID	World Bank	TI**	Others
Canada						X	CIDA
Czech Republic			X			X	
Denmark						X	
France						X	
Georgia				X	X	X	
Germany						X	
Greece						X	
Hungary			X		X	X	
Japan						X	
Mexico			X		X		
The Netherlands						X	
New Zealand						X	
Norway						X	
Poland			X		X	X	
Portugal							
Slovakia					X	X	
South Korea						X	
Sweden						X	
Switzerland						X	
United Kingdom						X	University of Birmingham
USA						X	
EUROPE*							
Albania				X	X	X	
Armenia					X		
Azerbaijan					X		ADB
Bosnia-Herzegovina					X	X	
Bulgaria				X	X	X	
Croatia					X	X	
Estonia						X	
Finland						X	
Georgia		X		X	X		NDI
Israel						X	
Kosovo							CIDA
Latvia					X	X	
Lithuania						X	
Macedonia					X	X	
Moldova		X			X	X	
Romania	X	X			X	X	France Greece USA
Russia				X	X	X	
Slovenia						X	
Turkey			X		X	X	NDI
Ukraine				X	X	X	CIDA

Table 4. (Continued)

Country	UN	UNDP	OECD	USAID	World Bank	TI**	Others
Yugoslavia, Fed. Republic of		X				X	
CENTRAL AND LATIN AMERICA*							
Argentina					X	X	
Bolivia		X	X		X	X	Denmark Germany Netherlands Sweden
Brazil					X	X	
Chile						X	
Colombia				X	X	X	
Costa Rica						X	
Dominican Republic				X	X	X	
Ecuador					X	X	
El Salvador				X	X		
Guatemala		X		X	X	X	NORAD
Guyana					X		
Haiti					X	X	
Honduras					X	X	
Jamaica					X		DFID
Mexico						X	
Nicaragua				X	X		NORAD
Panama		X			X	X	
Paraguay				X		X	NDI (Ed) Univ Birm
Peru				X	X	X	
Trinidad and Tobago						X	
Uruguay					X	X	
Venezuela					X	X	NDI (Ed)

* Not including OECD countries
** Corresponding to the countries where TI National Chapters are located

ADB: Asian Development Bank
Asia F°: Asia Foundation
CIDA: Canadian International Development Agency
DFID: Department for International Development (UK)
EU: European Union
NDI: National Democratic Institute
TI: Transparency International
Univ Birm: University of Birmingham
WBI: World Bank Institute
(Ed): includes an educational component

2. Some guidance on the issue "Ethics and corruption in education"

"Has your organization approached the issue of ethics and corruption in the specific field of education? If so, could you give some examples of the activities that you have developed in that field?"

Only three of the organizations contacted said that some of their activities were directly targeting the issue of corruption in education; one is CIDA, which puts emphasis on increasing accountability and transparency of educational management, conducting education programmes "in ways that promote good governance" (e.g. by diffusing values such as tolerance and inclusion), and strengthening issues of governance within comprehensive development frameworks; another is the World Bank (see the two examples summarized in *Table 5* below); yet another is the Asian Development Bank. A few others (particularly United Nations organizations) mentioned that they had indirectly tackled corruption within the framework of larger educational projects for which they were responsible. Some additional examples that were found in organizations' literature or on the web have been included in *Table 5* below.

Table 5. Additional examples of organizations targeting corruption

Country	Organization involved	Approach	Activities
Azerbaijan		Computerization of the examination process so as to limit opportunities for academic fraud	Creation of a State Student Admission Commission, enabling further transparency of the examination process. It based its work on a complete automatization and computerization of the selection of personnel for organizing examinations, the grouping of applicants in examination rooms, the selection of test exercises in the data bank and the processing of results. This has allowed those who violate the examination rules to be identified more easily and to ensure that the necessary legal-administrative measures are taken against them.
Bangladesh	Asia F° TI-Bangladesh	Public opinion survey	The first systematic public opinion survey of local-level corruption held in Bangladesh, which identified the nature and extent of public concern in seven sectors, including law enforcement, the justice system, education, land administration, health, banking and municipal services. It demonstrated that corruption affects the daily lives of most people in complex ways and that the poor and women-led households are most vulnerable to its negative impact.
China	CIDA Shaanxi Normal University OISE/University of Toronto	Training of secondary-school teachers as moral educators	One of the 11 sub-projects of the 'Special University Linkage Consolidation Programme' in China, named "Women and minorities as educational change agents", which includes an ethical component. The sub-project is designed to strengthen the capacities of women's teachers in teaching, research and community development at various Chinese universities. This includes facilitating the development of secondary-school teachers as moral educators.

Table 5. (Continued)

Country	Organization involved	Approach	Activities
Hong Kong		Investigation and prosecution of corrupt practices	Establishment of an Independent Commission Against Corruption (ICAC), whose objective is "to pursue the corrupt through effective investigation and prosecution, to eliminate opportunities for corruption by introducing corruption-resistant practices, educate the public on the evils of corruption and foster their support in fighting corruption". A number of initiatives have been taken in the educational field, including actions that aim to educate the public regarding anti-corruption legislation and the consequences of corruption, as well as enlist public support. Youth is a major target in this preventive education work.
India	UNICEF	Study on the financing of basic education	Major study on the financing of basic education in India, which is part of a research programme on social and economic policy for developing countries. It is based on surveys conducted in eight Indian states, which account for two-thirds of out-of-school children from the country. Issues of teachers' malpractices, and the underlying politics of private-sector expansion through unethical means are a significant part of the findings of the research.
Poland	Polish Children and Youth Foundation	Analysis of the impact of corruption in education	Study conducted in Poland, in order to assess the impact of corruption in education. A distinction is made between legal and ethical aspects of the issue. A typology of the various forms taken by corruption in education is made. In conclusion, some recommendations are made so as to limit corrupt practices in the future.

Table 5. (Continued)

Country	Organization involved	Approach	Activities
Romania	World Bank	Governance and corruption diagnostic surveys	Three large-scale governance and corruption surveys undertaken in 2000 by the World Bank and Management Systems International. They were based on the opinions and experiences of more than 1,700 households, enterprises and public officials. A specific part of the analysis was devoted to experiences with bribery in key sectors, including education. The survey results show that corruption is perceived to be widespread in the country; but that the education system is among the institutions that are not widely perceived, in relative terms, as corrupt.
Uganda	World Bank	Tracking surveys of expenditure allocated to schools	Study held in Uganda, that revealed that only 13 per cent of public non-wage education spending reached the schools in 1991, and only 22 per cent in 1995. These dismal findings stimulated the central government to begin publishing information on monetary transfers to districts via newspapers and radio broadcasts, and to insist that this information be posted at school and district headquarters. A replication of the school surveys in 2000 showed that schools now receive more than 90 per cent of the non-wage spending transferred from the central government.
Ukraine	World Bank CIDA International Centre for Policy Studies	Participatory diagnosis	Project assisting three Ukrainian cities in enhancing the quality of municipal governance and in building integrity by supporting local reform initiatives and by monitoring the delivery of local services through the establishment of NGO coalitions; including an educational component.

"Has your organization paid some attention to the issue of ethics and corruption in the particular field of education and international aid? If so, please provide some examples."

Both ADB and CIDA mentioned that all the projects that they fund, including educational ones, are supposed to follow procedures for results-based management which attempt to ensure accountability and minimize opportunities for corruption. Moreover, they are subject to review and audit processes. For example, financial tracking studies may be undertaken on some education projects whenever a need for this is determined. In addition, CIDA described the work that it is conducting on accountability in the use of sector-wide approaches (SWAPs), including in the field of education. SWAPs thus offer new challenges for the application of conventional donor-evaluation procedures and accountability relationships, as it implies a greater responsibility of the recipient country. A particular reference was made to the sector-wide programme in the education sector implemented in Uganda, and to the Agency-wide Forum on SWAPs and Accountability that was held in January 2001.

3. Suggestions for future work

The information presented below is exclusively based on the proposals and recommendations made by the organizations that filled in the questionnaire prepared for the survey.

"Could you give us some recommendations on what would be the best approach to take in order to proceed with the issue of corruption in education?"

The responses received have been classified under four main rubrics: the scope of the activities to be undertaken; possible areas of interest that could be tackled; modalities; and procedures that could be followed in the implementation of the programme itself.

⁕ *Scope*

- to emphasize both theory and practice;
- to classify corruption in education according to levels, i.e. system, school, teachers, etc., as they refer to very different matters;
- to give attention to corruption in higher education, which is often neglected;
- to include in the scope the private sector.

⁕ *Possible areas of interest*

- ways to ensure the professionalism and professional conduct of teachers;
- construction of schools (especially with respect to the tendering process);
- corruption in the management and operation of schools;
- teacher ethical issues;
- characteristics of 'e-corruption';
- allocation mechanisms of foundations, scholarship and research funds;
- challenges brought to the education sector as a result of decentralization (with a particular focus on capacity for auditing at local level);
- corruption in the privatization process;
- teacher training and curriculum issues;
- financial planning and accountability in the context of SWAPs (sector-wide approaches).

⁕ *Modalities*

- to identify weak areas during the risk-based evaluation of a project;
- to look both at rules in place to regulate behaviour and actual practices and how sanctions or remedial actions are carried out when the rules are not observed, combining not only legal, political

and economic aspects, but also adopting an administrative framework;

- to assess the ethical or control environment;
- to monitor reforms to improve conduct in a given field;
- to follow an integrated approach, covering both preventive and corrective aspects of looking at ethics and corruption in a given field;
- to focus on preventive approaches such as assessing the appropriateness of personnel policies and practices, assessing the risk of corruption, etc.;
- to encourage units to undertake self-assessments;
- to lean towards an open approach, in particular through the dissemination of information through forums or seminars, regardless of whether this information is positive or negative.

» ***Procedures***

- to compile data on corruption in education in different countries (e.g. to what extent does corruption affect the provision of primary, secondary, tertiary education in different countries, and in what manner?);
- to compile and diffuse success stories;
- to compile lessons learned, especially by region: how responsibility and accountability at the local levels have been broached and achieved are also of interest;
- to disseminate information on strengthened ethics policies (illustrate with examples such as ethics hotlines, a fraud policy statement, etc.);
- to stress communication, information and training;
- to target operational staff in addition to senior management;
- to carefully look at the selection of candidates in training courses to avoid having politically appointed participants or participants that do not possess the appropriate skills;

- to utilize valuable outside expertise.

"What initiatives that have been successful in fighting against corruption would you advise us to take into account when launching a couple of studies on 'success stories' in the area of education?"

The answers received included both references to best practices and to successful stories that could be further analyzed.

» ***Best practices***

- to conduct a risk-based evaluation of a programme or project, in order to identify the weak areas and to provide the opportunity to add further controls as a proactive measure to address those weaknesses;
- to dismantle over-regulation, through the reduction of discretionary administrative rules;
- to reform the public education service with a view to abolishing ponderous and nebulous ways of functioning by introducing effective superintendence and accountability;
- to establish irregular rotation of personnel in susceptible positions;
- to revise the educational civil service hiring and employment conditions, accompanied by increased competition for posts, better remuneration and the creation of an ombudsman;
- to develop an achievement-based scheme, in which public servants receive a share of the fees and levies they collect;
- to organize public tenders for government and agency contracts above a certain amount, involving public and open evaluation of all bids and the justification of the decisions taken;
- to set up strict procurement rules, specifically on the selection criteria for any major contract ensuring an equal and fair opportunity for all bidders (for example, the fact that a major

component of one contract cannot be split to avoid threshold limit);

- to implement an independent monitoring unit, to ensure the adequate follow-up of a project or programme in the field;
- to create independent commissions along the Hong Kong model;
- to operate basic controls and segregation of duties;
- to improve internal audits and controls by authorities, in particular through the support given to Supreme Audit Institutions (SAI) to strengthen their audit capacity and knowledge;
- to establish effective, speedy and properly enforced disciplinary and punitive measures against corrupt officials and employees;
- to raise the awareness of civil servants to the broader questions of ethical behaviour and moral reasoning, as well as to the risks of and exposures to corrupt behaviour and the consequences of such behaviour;
- to develop 'islands of integrity', which could provoke public opinion and create the pressure needed to reduce corruption;
- to protect the freedom of the press.

As regards, more specifically, education:

- to develop responsive, participatory and accountable systems of educational governance and management;
- to conduct education programmes in ways that promote good governance, mutual understanding and peace, and that help to prevent intolerance, violence and conflict;
- to support links between education and other sectors like governance, through comprehensive development frameworks, to address issues like corruption in education programming;
- to initiate an Anti-Corruption Pact, with the help of the Ministry of Education of a given country, bilateral donor agencies involved in educational programmes and local authorities running community schools.

⁍ *Successful initiatives*

- The 'People's Voice' project, Ukraine (designed after a successful programme in Bangalore, India);
- The Hong Kong Independent Commission Against Corruption, Hong Kong;
- The District-Based Support to Primary Education, Tanzania;
- The Public Service Ethics, Africa.

123

V. ANNOTATED BIBLIOGRAPHY[2] (INITIAL SELECTION)

General

1. Gould, D.; Amaro-Reyes, J.A. 1983. "The effects of corruption on administrative performance. Illustrations from developing countries". In: *World Bank Staff Working Papers, No. 580.* Management and Development Series, No. 7. Washington: the World Bank.

   The practice whereby some public money is illicitly diverted for private gain is present to some degree in all societies. Developing countries' particular circumstances - rapid economic and social change, strong kinship and ethnic ties, new institutions, overlapping and sometimes conflicting views about what is proper public behaviour - appear to contribute to corruption's saliency. According to much of the data examined covering countries in Asia, Africa and Latin America, corruption has a deleterious, often devastating effect on administrative performance and economic and political development, for example corroding public confidence, perverting institutions' processes and even goals, favouring the privileged and powerful few, and stimulating illegal capital export or use of non-rational criteria in public decisions. Corruption counteraction measures may range from commissions of inquiry, ombudsmen to investigate citizen complaints, courses and seminars, to simplification of administrative and financial procedures. However, their success will depend on the gradual creation of a political and public climate favouring impartiality and on the wisdom of specific governmental actions.

2. The short abstracts that are presented below have been adapted from the executive summaries included in the books or in the articles concerned.

2. Goudie, A. *et al.* 1997. "Corruption: the issues". In: *OECD Development Centre Technical Papers, No. 122.* Paris: OECD-DC.

   This paper sets out a framework within which the problem of corruption may be analyzed in any specific country. Firstly, it considers the investigation of the determinants of corruption, emphasizing the environment in which corruption evolves – and the manner in which the different parties to corruption interact and organize themselves in conducting these activities. Secondly, the paper focuses on the importance of corruption for economic development by considering the different forms of corruption and the characteristics of these forms that are most critical for economic activity. Finally, the paper reviews the empirical work that has been undertaken to date in this field, and emphasizes how little such study has currently been pursued, particularly in the African context and at the country-specific level.

3. Dollar, D. *et al.* 1999. "Are women really the 'fairer' sex? Corruption and women in government". In: *Policy Research Report on Gender and Development. Working Paper Series, No. 4.* Washington: the World Bank.

   Numerous behavioural studies have found women to be more trustworthy and public-spirited than men. These results suggest that women should be particularly effective in promoting honest government. Consistent with this hypothesis, the authors of this paper show that the greater the representation of women in parliament, the lower the level of corruption. They find this association in a large cross-section of countries and they conclude, on this basis, that the result is robust to a wide range of specifications.

4. Treisman, D. 1999. *The causes of corruption: a cross-national study.* Journal of Public Economics, Vol. 76, No. 3, pp. 399-457. N.H. Elsevier.

   Why is corruption - defined here as the misuse of public office for private gain—perceived to be more widespread in some countries than others? Different theories associate cross-national variation in the extent of corruption with particular historical and cultural traditions, levels of economic development, political institutions, and government policies. This article analyzes which of various plausible determinants are significantly related to several indexes of 'perceived corruption' compiled from business risk surveys for the early-1980s and mid-1990s. It finds support for six arguments. Countries with Protestant traditions, histories of British rule, more developed economies, and (probably) those with high exposure to imports were rated less 'corrupt'. Federal states were more 'corrupt' than unitary ones. While the current degree of democracy was not significant, long exposure to democracy was associated with lower corruption.

5. Friedman *et al.* 2000. "Dodging the grabbing hand: the determinants of unofficial activity in 69 countries". In: *The Journal of Public Economics*, Vol. 76, No. 3, pp. 459-493. N. H. Elsevier.

   Across 69 countries, higher tax rates are associated with less unofficial activity as a percentage of GDP, but corruption is associated with more unofficial activity. Entrepreneurs go underground, not to avoid official taxes but to reduce the burden of bureaucracy and corruption. Dodging the 'grabbing hand' in this way reduces tax revenues as a percentage of both official and total GDP. As a result, corrupt governments become small governments and only relatively uncorrupt governments can sustain high tax rates.

6. Knack, S.; Azfar, Omar. 2000. "Are larger countries really more corrupt?". *Policy Research Working Paper. No. 2470.* Washington: World Bank.

Several authors claim to provide evidence that government corruption is less severe in small rather than large countries. Knack and Azfar demonstrate that this relationship is an artefact of sample selection in this book. Most corruption indicators provide ratings only for the countries in which multinational investors have the greatest interest. These tend to include almost all large nations but, among small nations, only those that are well governed. The authors find that the relationship between corruption and country size disappears when one uses either a new corruption indicator with substantially increased country coverage or an alternative corruption indicator that covers all World Bank borrowers without regard to country size. They also show that the relationship between corruption and trade intensity – a variable strongly related to population – disappears when samples less subject to selection bias are used.

7. Myint, U. 2000. "Corruption: causes, consequences and cures". In: *Asia-Pacific Development Journal, Vol. 7, No. 2,* pp. 33-58. Economic and Social Commission for Asia and the Pacific. United Nations Publication.

The paper stresses the need to keep the issue of corruption squarely in view of the development agenda. It discusses the causes and consequences of corruption, especially in the context of a least-developed country with considerable regulation and central direction. Lack of transparency and consistency, as well as institutional weaknesses, such as in the legislative and judicial systems, provide fertile ground for growth of rent-seeking activities in such a country. In addition to the rise of an underground

economy and the high social costs associated with corruption, its adverse consequences on income distribution, consumption patterns, investment, the government budget and on economic reforms are highlighted in the paper. The paper also touches upon the supply side of bribery and its international dimensions and presents some thoughts on how to address the corruption issue and to try and bring it under control.

8. OECD. 2000. *No longer business as usual: fighting bribery and corruption*. Governance. Paris: OECD.

   Not so long ago, bribing public officials in foreign countries to obtain business deals was, if not an acceptable, at least a tolerated business practice in many OECD countries. In the new millennium, the OECD and associated governments, which account for over 75 per cent of trade and investment worldwide, will play by stricter rules. The Convention on Combating Bribery of Foreign Public Officials in International Business Transactions will outlaw the practice of bribing foreign officials, making competition for international business much more fair and open. Bribery in commercial transactions is only part of the problem. A whole arsenal of legal instruments to combat corruption has now been developed to improve ethical standards in the public sector, to end tax deductibility for bribes, to curtail money laundering, and to clean up public procurement practices. The private sector and civil society will continue to play a critical role in making these new rules a reality. This book provides the key elements needed to build and preserve corruption-free institutions, systems, and private enterprises.

Growth, development and corruption

9. Mauro, P. 1995. "Corruption and growth". In: *Quarterly Journal of Economics, Vol. 110, Issue 3.*

   This paper analyzes a newly assembled data set consisting of subjective indices of corruption, the amount of red tape, the efficiency of the judicial system, and various categories of political stability for a cross-section of countries. Corruption is found to lower investment, thereby lowering economic growth. The results are robust to controlling for endogeneity by using an index of ethno-linguistic fractionalization as an instrument.

10. Bardhan, P. 1997. "Corruption and development: a review of issues". In: *Journal of Economic Literature, Vol. XXXV,* No. 3, pp. 1320-1346. American Economic Association.

    While corruption is an ancient problem, it has had variegated incidence at different times in different places, with varying degrees of damaging consequences. While the tenacity with which it tends to persist in some cases easily leads to despair and resignation on the part of those who are concerned about it, there can be and have been ways in which a whole range of policy measures can make a significant dent. In this article, Bardhan starts with a discussion of some of the alternative denotations of the problem of corruption. He then considers the ways in which the damaging consequences of corruption operate in the economy, while not ignoring its possible redeeming features in some cases. He pursues the question of why corruption is perceptibly so different in different societies. He finally examines the feasible policy issues that arise. His approach is primarily analytical and speculative, given the inherent difficulties of collecting (and hence the non-existence of) good empirical data on the subject of corruption.

123

11. Tanzi, V.; Davoodi, H. 1997. "Corruption, public investment, and growth". In: *IMF Working Paper*. Fiscal Affairs Department. Washington: IMF.

    Corruption, particularly political or 'grand' corruption, distorts the entire decision-making process connected with public investment projects. The degree of distortions is higher with weaker auditing institutions. The evidence presented shows that corruption is associated with higher public investment; lower government revenues; lower expenditures on operations and maintenance; and lower quality of public infrastructure. The evidence also shows that corruption increases public investment while reducing its productivity. These are five channels through which corruption lowers growth. An implication is that economists should be more restrained in their praise of high public-sector investment, especially in countries with high corruption.

12. Wei, S. 1999. "Corruption in economic development – beneficial grease, minor annoyance or major obstacles?" In: *Policy Research Working Paper, No. 2048*. Washington: World Bank.

    The author reviews the overwhelming statistical evidence that countries with high levels of corruption experience poor economic performance. Corruption hinders economic development by reducing domestic investment, discouraging foreign direct investment, encouraging overspending in government, and distorting the composition of government spending. Whenever a public office is abused, a public function or objective is set aside and compromised. Only if a public function is unproductive are policy goals unharmed by corruption. But one often hears that bribery greases the machinery of commerce, so the author studied the evidence - which clearly rejects the

hypothesis. Culture shapes the difference between a 'bribe' and a 'gift' but culturally induced differences seem small. There is no evidence to support the notion that corruption in Asia, including East Asia, entails lesser consequences.

13. Da Silva, M. *et al.* 2001. *How does corruption hurt growth? Evidences about the effects of corruption on factors of productivity and per capita income.* Transparency International, Brazil Chapter.

This article aims to analyze and measure the influence of corruption on a country's wealth. It is implicitly admitted that the degree of institutional development has an adverse effect on the productivity of production factors, which implies reduced per capita income. It is assumed that the level of wealth and economic growth depends on domestic savings, fostering technological progress and a proper education system. Corruption, within this framework, is not unlike an additional cost, which stifles the 'effectiveness' of the investment. This article first discusses the key theories evaluating corruption's economic consequences. Later, it analyzes the relation between institutional development, factor productivity and per capita income, based on the neo-classical approach to economic growth. Finally, it brings some empirical evidence regarding the effects of corruption on factor productivity, in a sample of 81 countries studied in 1998. The chief conclusion is that corruption negatively affects the wealth of a nation by reducing capital productivity, or its effectiveness.

14. Seyf, A. 2001. "Corruption and development: a study of conflict". In: *Development in Practice, Vol. 11, No. 5*. Oxford: Carfax Publishing.

This paper discusses the relationship between corruption and economic development. It questions the view that, under certain

conditions, corruption may enhance efficiency and argues that though corruption may benefit powerful individuals it will indubitably lead to greater inefficiency and a waste of resources at a macroeconomic level. Following a brief introduction, the author suggests that a possible cause of corruption is the weak productive base, the essential condition for the appearance of shortage, which, in turn, spurs corruption. Some possible impacts of corruption are then examined. While no specific measure is suggested, a more accountable political system would certainly be a move in the right direction.

Decentralization/management at local level

15. Gole, J. 1999. *The role of civil society in containing corruption at the municipal level.* Discussion Paper, No. 10. Published by the Local Government and Public Service Reform Initiative. Budapest: Open Society Institute.

    This volume describes the results of a Regional Conference of Transparency International Representatives, held in Bratislava, in April 1999. It is structured into three main parts. Firstly, the Declaration for Municipal Reform, set by the participants of the Conference, is presented. Secondly, the report provides guidelines on how TI Chapters and other civil society organizations can approach the issue of fighting local-level corruption and improving municipal service delivery. The third part consists in the Conference proceedings and focuses on case studies of local-level municipal service/anti-corruption activities implemented in Miami, Bangalore and Budapest; the role of civil society in establishing integrity in local government; civil society-based strategies for containing corruption at the municipal level; TI National Chapter institution building; and building regional co-operation.

16. Fishman, R.; Gatti, G.W. 2000. "Decentralization and corruption: evidence across countries". In: *World Bank Research Working Paper, No. 2290*. Washington: World Bank.

    The relationship between decentralization of government activities and the extent of rent extraction by private parties is an important element in the recent debate on institutional design. The theoretical literature makes ambiguous predictions about this relationship, and it has remained virtually unexamined by empiricists. Fishman and Gatti make a first attempt at examining the issue empirically, by looking at the cross-country relationship between fiscal decentralization and corruption as measured by a number of different indices. Their estimates suggest that fiscal decentralization in government spending is significantly associated with lower corruption. The evidence also suggests a number of areas for future work, including investigating whether there are specific services for which decentralized provision has a particularly strong impact on political rent extraction, and understanding the channels through which decentralization succeeds in keeping corruption in check.

17. González de Asis, M. 2000. *Reducing corruption at the local level*. Washington: World Bank.

    Corruption ranks, together with effective democratic representation, as the most important problem facing local governments. The challenge facing local governments is to develop innovative ways of building effective, accountable, and transparent systems that are able to efficiently deliver services. The objective of this paper is to provide both a conceptual and a practical framework, as well as an international perspective with concrete examples, to address the contexts that create perverse incentives for corruption to exist. Practical tools and approaches

are thus presented, including how to involve people in policy-making; different diagnostic tools to identify priorities of reform; informatics to track public revenue and expenditure; simplified rules to improve the procurement process; diagnostics; and participatory techniques for developing and monitoring local budgets. Among the main results expected, the author mentions informed knowledge, coalition-building leading to collective action, and transparent political leadership at the local level.

18. Klitgaard, R. *et al.* 2000. *Corrupt cities: A practical guide to cure and prevention.* The World Bank Institute. Oakland: ICS Press.

The movement towards decentralization is gathering momentum. In this context, the important costs of corruption are being explicitly recognized, as is the urgent need to prevent corruption, raise city revenues, improve service delivery, stimulate public confidence and participation and win elections. This book is designed to help citizens and public officials diagnose, investigate, and prevent various kinds of corrupt and illicit behaviour. It focuses on systematic corruption rather than freelance activity of a few law-breakers, and emphasizes preventive measures rather than purely punitive or moralistic campaigns. It offers successful examples of anti-corruption strategies implemented in Honk Kong and La Paz, as well as suggestions concerning their implementation in difficult settings that may be characterized by political indifference, bureaucratic inertia, and citizen support not yet mobilized. Finally, it advocates both restructuring city services and making institutional reforms that improve information, create new and more powerful incentives and disincentives and remake the relationship between the citizen and local government.

Audit and diagnosis

19. Sack, R.; Saïdi, M. 1997. "Functional analysis (management audits) of the organization of ministries of education". In: *Fundamentals of Educational Planning, No. 54*. Paris: UNESCO/IIEP.

    This booklet introduces the reader to the tools of functional analysis – management audit – applicable to the organizational specificities of national education ministries. The audit is a critical analysis, aimed at identifying what works, and what does not, and why, on the basis of a thorough and systematic examination of the mandates and attributions of the education ministry and its component parts. The booklet analyzes the relationships between the ministry's structures, functions and tasks; the organization and use of information in the ministry; the ministry's reward structures in relation to its staffing patterns; and the role of procedures, rules and regulations in guiding an individual's behaviour within the organization. Its intention is to promote a better understanding of the stakes involved and the tools and methods available for improving the management structures and processes of national education ministries.

20. Dye, K; Stapenhurst, R. 1998. *Pillars of integrity: the importance of supreme audit institutions in curbing corruption.* Washington: The Economic Development Institute of the World Bank.

    Building strong institutions is a central challenge of development and is a key to controlling corruption. Among public institutions, the Supreme Audit Institutions (SAIs) play a critical role, as they help promote sound financial management and thus accountable and transparent government. However, the full potential of the SAI to address corruption has not been exploited, in part because of the lack of understanding of the overall capacity of the SAI. SAIs are well situated to contribute; they are widely viewed as the

independent watchdogs of the public interest and, in some countries, they are already putting a greater focus on accountability for 'ethics in the public service' in the scoping of their audit work and also undertaking value-for-money audits. This paper discusses the role of the SAIs in promoting accountability and transparency within governments, considers some of the factors making for effective SAIs and highlights the linkages between the audit institutions and other 'pillars of integrity', notably the media and Parliament.

21. Kaufmann, D. *et al.* 1998. "New frontiers in diagnosing and combating corruption". In: *PREMnote, No.7.* Washington: World Bank.

    Corruption is problematic when policies encourage it and institutional controls are weak. Diagnosing corruption, and understanding its causes and consequences, allows countries to overcome their policy and institutional weaknesses and implement effective anti-corruption strategies. This note focuses on the new diagnostic tools that have been developed and implemented in Albania, Georgia and Latvia, with the support of the World Bank, and which include cross-country analysis of data on perceptions of corruption against institutional and other correlates. It explains how empirical surveys can inform and transform the policy dialogue, so that a workable anti-corruption agenda can be established. It also highlights challenges in performing these surveys, and in transforming survey results into priorities for institutional reform.

22. Reinikka, R. 1999. *"Using surveys for public-sector reform".* In: *PREMnote, No. 23.* Washington: World Bank.

    Data that can be used to inform policy decisions are typically scarce in low-income countries, where standard policy

prescriptions are less likely to apply. But if strategically designed, a survey can help induce policy change by pointing directly to the main bottlenecks, making it easier for policy-makers to find solutions. The note summarizes two cases in Uganda where diagnostic surveys proved particularly useful, the first one involving public spending on health and education. Thus, after the survey findings were released in 1996, a number of decisions were taken by the government to increase transparency and accountability, e.g.: monthly transfers of public funds are now reported in the main newspapers and broadcast on the radio; transfers to primary education are displayed on public noticeboards in each school and district centre; school-based procurement has replaced the central supply of construction and other materials. This experience demonstrates that data can be a powerful tool of change.

23. Wamey, J.M. 1999. "Can corruption be measured?" In: *Bank's World, Vol. 3, No. 6.* Working Papers and Articles. Washington: World Bank.

In this article, the author surveys the World Bank's efforts in combating the myth surrounding corruption, as well as the Bank's work in creating diagnostic tools, disseminating survey results, and implementing effective anti-corruption strategies. It refers to concrete examples where corruption was measured using surveys of households, businesses and public officials, to determine its prevalence, as well as its social and economic cost. It states that in countries where this data-intensive approach has been implemented, its use and dissemination has sparked spirited debates and shifted the focus to institutional measures rather than to particular individuals. It concludes by referring to the various projects undertaken by the World Bank in this area, including the setting up of a diagnostic toolkit.

24. Hellman, J.S. *et al.* 2000. "Measuring governance, corruption, and state capture. How firms and bureaucrats shape the business environment in transition economies". In: *Policy Research Working Paper, No. 2312*. Washington: World Bank Institute.

    The 1999 Business Environment and Enterprise Performance Survey (BEEPS) assesses in detail the various dimensions of governance from the perspective of about 3,000 firms in 20 countries. After introducing the survey framework and measurement approach, the authors present the survey results, focusing on governance, corruption and state capture. The authors pay particular attention to certain forms of grand corruption, notably state capture by parts of the corporate sector – that is, the propensity of firms to shape the underlying rules of the game by 'purchasing' decrees, legislation, and influence at the central bank, which is found to be prevalent in a number of transition economies. The survey also measures other dimensions of grand corruption, including those associated with public procurement, and quantifies the more traditional ('pettier') forms of corruption. Cross-country surveys may suffer from bias if firms tend to systematically over- or underestimate the extent of problems within their country. The authors provide a new test for this potential bias, finding little evidence of country perception bias in BEEPS.

25. Knack, S.; Manning, N. 2000. "Toward more operationally relevant indicators of governance". In: *PREMnote No. 49*. Washington: World Bank.

    Increasing awareness of the importance of governance has been accompanied by an increase in the number of commercial firms and non-governmental organizations (NGOs) producing broad indicators of the quality of governance and public institutions.

First-generation governance indicators, e.g. International Country Risk Guide, Transparency International's Corruption Perception Index, are useful to identify countries with severe corruption and other governance-related problems. However, most of them have limited relevance for public-sector reform. There is a need for second-generation indicators which are expected to be more specific in measuring performance and pay more attention to measuring government processes and institutional arrangements – not just performance.

26. Reinikka, R.; Svensson, J. 2002. *Measuring and understanding corruption at the micro level* (Working document).

In this document, Reinikka and Svensson argue that with appropriate survey methods and interview techniques, it is possible to collect quantitative data on corruption at the firm level. They refer accordingly to the result of two data-collection efforts carried out in Uganda in the late 1990s. The first project dealt with 'leakage' in large public-sector spending programmes – a non-wage grant. The second project extended a 'standard' firm-level survey tool in order to collect quantitative information on bribe payments across firms. The authors show that, as both the school-level and firm-level findings suggest, corruption can be effectively tackled only when the reform of the political process and the restructuring of the regulatory systems are complemented by a systematic effort to increase the citizens' ability to monitor and challenge abuses of the system, and inform the citizens about their rights and entitlements.

Corruption in education

General

27. Bray, M. 1999. "The shadow education system: private tutoring and its implications for planners". In: *Fundamentals of Educational Planning, No. 61.* Paris: UNESCO/IIEP.

    Private tutoring is an important phenomenon that has arisen in a wide variety of countries and can have significant educational, social, and economic ramifications. However, due to the fact that it is a service provided outside the planning and control of the formal education system, the available information on its pervasiveness and potential implications is scarce. Bray makes one of the first investigations of this phenomenon through the systematization and analysis of existing information. Thus, this booklet looks at why private tutoring arises, seeking to identify variables in the education system, the wider sociocultural context and the economy that accounts for, and shapes its existence. It also analyzes how private tutoring can potentially affect a variety of factors including: the academic performance of students, wider social effects such as inequality and socialization processes, and economic productivity. The booklet concludes by discussing the different policy options open to educational planners.

28. Lester, J. 1999. "Developing countries: public education to combat corruption and economic crime – the future for developing countries". In: *Journal of Financial Crime, Vol. 6, No. 3 – International.*

    Many developing countries, and indeed a significant number of developed countries, need a practical strategy to launch future education and prevention programmes against corruption and economic crime. This article offers constructive advice on how to

educate the public and gain support to combat the abuses of government officials and private individuals. It advocates, for the development of educational programmes, to address such issues as personal and business ethics, codes of conduct, transparency of operations, accountability of supervisors, increased productivity and good citizenship. It underlines how important it is to teach corruption and economic crime issues during the formative years, which require close collaboration with curriculum development specialists to devise and produce educational materials to be used in schools. Finally, it explains how creative campaigns, using the media, can encourage positive attitudes towards higher standards of integrity in public life and give a better understanding of the economic damage done by corruption and economic crime.

29. Gupta, S. 2000. "Corruption and the provision of health care and education services". In: *IMF Working Paper, No. 116.* Washington: International Monetary Fund.

Government interventions to correct market failures are often accompanied by government failures and corruption. This is no more evident than in social sectors that are characterized by significant market failures and government intervention. However, the impact of corruption on the public provision of social services has not been analyzed. This paper reviews the relevant theoretical models and users' perceptions of corruption in the public provision of social services. It then provides evidence that reducing corruption can result in significant social gains as measured by a decrease in the percentage of primary school drop-out rates. It concludes firstly that improvements in education services do not necessarily require higher public spending; secondly that it is likely that a reduced level of corruption in the

provision of services would help improve their quality; thirdly that conditions that facilitate private-sector entry into the provision of public services would limit the government's ability to charge bribes; and, finally, that participation of the poor in the decisions that influence the allocation of public resources would mitigate corruption possibilities.

30. Reinikka, R.; Svensson, J. 2001. *Explaining leakage of public funds.* World Bank; Stockholm University (Working document).

    Using panel data from a unique survey of public primary schools in Uganda, Reinikka and Svensson assess the degree of leakage of public funds in education. The survey data reveal that on average, during the period 1991-95, schools received only 13 per cent of what the central government contributed to the schools' non-wage expenditures. The bulk of the allocated spending was either used for public officials for purposes unrelated to education or captured for private gain (leakage). Moreover, the authors find that resource flows and leakages are endogenous to schools' socio-political endowment. Rather than being passive recipients of flows from government, schools use their bargaining power vis-à-vis other parts of government to secure greater shares of funding. The article concludes the implication of these results for research as well as for policy. It emphasizes in particular the need to understand the local political economy in order to estimate the actual budget allocation across end-users (in this case, schools).

31. Tanaka, S. 2001. "Corruption in education-sector development: a suggestion for anticipatory strategy". In: *The International Journal of Educational Management, Vol. 15, No. 4,* pp. 158-166. MCB University Press.

    Corruption is a major but neglected problem in international

development literature. From a review of available literature and the author's experiences within consulting services for various educational projects in developing countries, this article proposes an anticipatory strategy that will help professionals to protect an education project from corruption. It underlines that in anticipating corruption, one should be aware of possible disparities in recognizing corruption, and avoid imposing inappropriate, culturally defined ideas when administering a project. It suggests that an anticipatory strategy is not a direct anti-corruption strategy, and may exist as a 'hidden agenda' within the project. Thus, attention could first be paid to diagnosing rather than redressing a system that is thought to be corrupt, adopting prevention rather than punishment, informal rather than formal approaches, and situational norms rather than formalized legislation. The protection of students from corruption should be a priority throughout the strategy.

Professional ethics

32. Educational International. 2001. *Declaration on professional Ethics.* Adopted by the Third World Congress of Education International, Jomtien (Thailand), 25-29 July 2001.

    This declaration represents an individual and collective commitment by teachers and all others involved in education. It is complementary to the laws, statutes, rules and programmes that define the practice of the profession. It is also a tool that aims at helping teachers and education personnel respond to questions related to professional conduct and at the same time to the problems arising from relations with the different participants in education.

Academic fraud

33. Kellaghan, T.; Greaney, V. 1995 (Eds). "Equity issues in public examinations in developing countries". In: *World Bank Technical Paper, No. 272.*

    Public examinations in developing countries play a critical role in the selection of students for participation in the education system. This study identifies practices associated with examinations that may create inequities for some students. These include scoring procedures, the use of culturally inappropriate questions, fee requirements, private tutoring, examinations in a language unfamiliar to the student, and a variety of malpractices. Quota systems that deal with differences in performance associated with location, ethnicity, or language group membership also create inequities for some students. The report concludes that the limited available evidence does not indicate that examinations create inequities between genders and that ranking schools on the basis of students' examination performance may not provide a fair assessment of the work of schools.

34. Greaney, V.; Kellaghan, T. 1996. "The integrity of public examinations in developing countries". In: *Assessment: Problems, developments and Statistical Issues*. Edited by Harvey Goldstein and Toby Lewis. Wiley Series in Probability and Statistics.

    In this chapter, Greaney and Kellaghan examine the extent to which procedures to standardize the conditions under which examinations are prepared, administered and scored are observed or violated. They show that the range of individuals involved in attempts to infringe examination procedures goes well beyond a student's family or school personnel, and that in some countries, examination corruption has become a business and individuals

and groups engage in malpractice for monetary gain. Much of their consideration of malpractice, both its execution and attempts to detect and prevent it, focuses on administrative and technical matters, which are the day-to-day issues that preoccupy examination authorities in developing countries. In the first part, following a description of their sources of evidence, they describe forms of malpractice that have been identified in examinations. They then review the limited evidence that is available on the frequency of malpractice. Following this, they consider reasons for malpractice and outline some of the procedures that have been developed to detect it. Finally, they consider ways to control or prevent its occurrence.

35. Harold, N.; Eckstein, M. 2001. *Fraud and education: the worm in the apple.* New York: Rowman and Littlefield Publishers Inc.

Dishonesty and chicanery are nothing new to education. What is new, perhaps, are the ways in which these imperfections permeate education credentialing and how they have flourished with the invention of new technologies and changes in consumer culture. This book gives an informative overview of cheating in examinations in the USA and foreign countries and of the current state of fraud in education and research. Instead of assigning blame for the prevalence of fraud, the authors point to such factors as growth in the number of persons engaged in education and research, pressures on individuals to succeed, improvements in communications (especially the Internet and e-mail), and in techniques of document reproduction. In this spirit, a concluding chapter identifies some of the correlates of fraud, emphasizes the ambiguous nature of some of its manifestations, discusses alternative approaches to countering fraud, and outlines the implications for society.

36. Moreno, J.M. 1999. "Something up the sleeve: fraud in education, or the learning of corruption". In: *Emotional and Behavioural Difficulties: A Peer Reviewed Journal, Vol. 4, No. 3, 1999.*

    This article deals with the low-profile issue of educational fraud. The author defines educational fraud in terms of a range of illegitimate practices in which students engage in order to inflate their recorded levels of academic performance. Four sub-types of fraud are identified. The cultural and social correlates of fraud are then considered. The discussion leads to a suggestion that fraud in certain circumstances can be fostered by the hidden curriculum. The paper concludes with a consideration of the implications of educational fraud and an exploration of some possible means by which they should be combated. Central issues are the links between fraud and dominant forms of educational evaluation, which stress outcomes over process, and the relevance of fraud to notions of citizenship and citizenship education.

37. Rezaee, Z. *et al.* 1997. *"Forensic accounting education: insights from academicians and certified fraud examiner practitioners".* In: *Managerial Auditing Journal, Vol. 12, No. 9,* pp. 479-489. MCB University Press.

    Current initiatives in accounting education, while focusing on the importance of accounting instruction and teaching students how to learn, emphasize continuous lifelong learning and outcome-based assessment. The public interest in forensic accounting, especially fraud investigation, has encouraged the accounting profession to consider issuing new standards on fraud detection. This article presents a survey aimed at examining current coverage and future direction and role, and forensic accounting education. Results of the study indicate surveyed academicians and certified examiner practitioners considered

enhanced forensic accounting education to have several benefits. However, several factors (e.g. lack of faculty interest, lack of resources, and lack of flexibility in curriculum content) were mentioned as obstacles to providing a proper accounting education in accounting curricula. The authors conclude that the demand for forensic accounting education should be integrated into accounting curricula either as a separate course or through modules in accounting and auditing courses.

38. Steinberg, I. 2000. *Of academic fraud and the education crisis.* The World & I Magazine (The Washington Times).

The World Wide Web has given students unprecedented access to legitimate and illegitimate education resources. Steinberg gives an oversight of the implications of it on present-day higher education. He thus describes how, in the USA, Internet-based research and term paper mills have become a booming industry, even though 16 states have made it illegal since 1995 to sell academic research and term papers. On this basis, he raises the question: how can legislators, professors or administrators rightfully tell if a submitted piece of academic work was personally written or professionally subcontracted?

39. Coggins, P. 2000. "Enhancing efforts to prevent fraud in higher education". In: *Community College Journal of Research and Practice, No. 24.* Taylor & Francis.

In the early 1990s, the US Attorney General made health-care fraud a priority in the US Department of Justice. Thereafter, in 1997, she broadened the Department's initiative to encompass all areas of fraud prevention. As a result of these expanded initiatives, there has been a dramatic increase in whistleblowers and lawsuits. This article describes the case law that is developing as a result of

this increase and discusses the importance of need for compliance programmes within institutions of higher education such as community colleges. These proposed compliance programmes are attempts to assist institutions in identifying weaknesses in their internal systems and administrations and to provide a method for employees and administrators to report potential problems. Finally, this article outlines the essential elements of an effective compliance programme plan and encourages educational institutions that receive federal funding to take appropriate measures to ensure that a comprehensive and responsible compliance plan is in place.

Fighting against corruption

40. Larbi, G. 2001. *Institutional and organizational arrangements and mechanisms for managing and controlling corruption – a review* (Working document).

This paper, prepared for an international conference on "Governance for the 21st century: joining up accountability", organized in Birmingham, 2001, aims to review the institutional and organizational arrangements for managing and controlling corruption generally, and anti-corruption agencies in particular. It provides an overview of two models of institutional and organizational arrangements for controlling corruption and shows how complementary they are. These are the World Bank/ Transparency International's National Integrity System and the OECD's Ethics Infrastructure. It then focuses on the roles, powers and accountability of special anti-corruption agencies (in particular the one established in Hong Kong). It insists on the importance of their independence and adequate financial and human resources. It ends by suggesting the best ways to increase their effectiveness.

41. UNDP. OECD Development Centre. 1998. *Corruption and integrity improvement. Initiatives in developing countries.* New York: UNDP.

This book offers the views of eminent thinkers and practitioners on how to reduce and eventually eliminate corruption. It shows that, while helpful, democracy is by no means a cure for corruption, nor is economic liberalization a panacea for ending public-sector crime. The contributors call for strategies that combine law enforcement, prevention through institutional reforms and public support. A strong correlation between successful anti-corruption programmes and civil liberties is demonstrated throughout the book. The authors conclude that efforts should not only focus on cross-border and 'grand' corruption, but 'petty' corruption as well, which directly affects the living conditions of the majority. They also underline that there is a need for caution in relying on civil society in the fight against corruption, which is not a sufficient guarantee of either the sustainability of anti-corruption measures or their developmental consequences. Publication of this material follows an international conference in Paris on the same theme, co-sponsored by the United Nations.

42. Management Development and Governance Division. Bureau for Policy and Programme support. UNDP. 1997. *Corruption and good governance.* Discussion paper No. 3. New York: UNDP.

This UNDP discussion paper studies the issue of corruption, isolating its underlying economic causes in the industrial and developing world. It also assesses options for combating corruption, highlighting important lessons learned from reform experiences of a number of countries and discussing both generic reforms designed to increase the risks of engaging in corrupt activities and specific reforms to reduce incentives for corruption in particular programmes. It makes a distinction between four

main domestic reform strategies, namely: reducing incentives for pay-offs, enforcing anti-corruption laws, reforming the civil service and instituting checks and balances. The concluding section considers the role of the international lending and donor communities in supporting systemic reform and in assuring the integrity of the projects they finance. It also evaluates other international efforts to combat corruption. It underlines that no comprehensive reform programme can be credible without support from a country's political and economic elite.

43. Kindra, G.S.; Stapenhurst, R. 1998. "Social marketing to fight corruption". In: *Departmental Working Paper, No. 18874*. EDI Working Papers. Washington: World Bank.

It is widely accepted that one of the most critical elements of a country's anti-corruption programme is the involvement of civil society, but there is less agreement on how such involvement can be encouraged. Social marketing can make an important contribution to the creation of an atmosphere in public life that discourages fraud and corruption. Drawing on lessons from the use of social marketing in public health campaigns (e.g. to reduce smoking and alcoholism, to encourage safe sex and to encourage physical fitness), environmental campaigns (e.g. to promote recycling), education campaigns (to encourage literacy), and the protection of individual/group rights (e.g. racial and gender equality, gay and lesbian rights), this paper argues that social marketing can also make an important contribution to the creation of an atmosphere in public life that discourages fraud and corruption. It can do so by: raising awareness about the costs of corruption to a country; mainstreaming a concern about corruption within national institutions; and increasing the understanding of causal factors of corruption amongst the public and influencing behaviour.

44. Hors, I. 2001. "Fighting corruption in customs administration: what can we learn from recent experiences?" In: *OECD Development Centre Technical papers, No. 175*. Paris: OECD-DC.

In many developing countries, customs efficiency is hampered by widespread corruption. This creates a major disincentive and obstacle to trade expansion. This paper examines the nature of customs corruption and suggests some practical paths to integrity. It is based on fact-finding studies of recent experience of customs reform in Bolivia, Pakistan and the Philippines. The analysis throws up five key conclusions. The first is the need to recognize the main types of corruption, namely routine, fraudulent and criminal corruption. The second shows that strategies based on investigation and sanctions cannot correct a situation of widespread corruption. The third highlights the need to identify those points in the customs process that afford special opportunities for customs to seek irregular payments and for traders and agents to offer them. Fourthly, the broader environment is seen as a crucial element to opening up and preserving the possibilities of serious reform. Finally, Hors identifies some powerful elements for successful implementation, such as a careful assessment of the institutional scene and balance of powers.

AFRICA

45. Foondun, A.R. 1992. "Private tuition in Mauritius: the mad race for a place in a 'five-star' secondary school". In: *IIEP research and studies programme. Increasing and improving the quality of basic education*. Monograph, No. 8. Paris: UNESCO/IIEP.

Private tutoring has a long tradition in many countries but has become a real business during recent years. Upper- and middle-

class parents are increasingly using private tutoring as a means to retain a relative advantage for their children in the education 'race'. At the same time, private tutoring has been a welcome opportunity to increase the income of formal schoolteachers. Although the phenomenon is widespread, it has not been properly researched, and its educational and social consequences remain largely unexplored. This study is a contribution to bridging this knowledge gap. It analyzes in detail private tutoring of primary-school children in Mauritius, its causes and modalities, and also its consequences. The author argues that the private tutoring business not only increases inequalities in educational opportunities, but also leads to a devaluation of teaching ethics and, finally, to a serious distortion of the aims of the education system itself. In the last chapter he reviews different strategies which can be used to remedy the present situation.

46. Bitamazire *et al.* 1996. "Legal frameworks. A study of the legal framework for teacher management in three African countries: Sierra Leone, Uganda, Zimbabwe". In: *The Teacher's World. Working Group on the Teaching Profession. Commonwealth Secretariat. Association for the Development of Education in Africa (ADEA).* London: Commonwealth Secretariat.

    In many countries, the legal framework for teacher management is problematic and there is a need for debate and reform action. The study reported in this document sets out to explore existing legal frameworks in Sierra Leone, Uganda and Zimbabwe and the extent to which they are understood and effectively applied. Particular attention is focused on questions as to who are the teachers, who are their employers and what is their relationship. An examination of the application of the laws in each country highlights certain problems surrounding implementation, some examples of good practices, and an assessment of the adequacy of

existing frameworks. Among the main conclusions drawn from the study, one can be mentioned: the need for a clear, workable definition of 'teacher' and a recognition of teaching as a profession as a vital step towards creating a sense of professionalism; the establishment of an autonomous professional body which can administer the teaching profession effectively; the review, update and consolidation of teachers' conditions of service; the introduction of a clearly defined code of professional conduct; and the incorporation of legal education into both pre-service and in-service teacher training courses.

47. Stasavage, D. *et al.* 1998. "Determinants of customs fraud and corruption: evidence from two African countries". In: *OECD Development Centre Technical Papers, No. 138.* Paris: OECD-DC.

Corruption in customs administration is a major problem in many African countries. Data from the period 1990-1996 are used to examine several hypotheses concerning the determinants of customs fraud in Senegal and Mali. Statistical tests using product-by-product data support the widely held view that high levels of taxation lead to fraud. The findings also show that hiring a pre-shipment inspection company can be an effective tool in fighting corruption, but only if it is accompanied by internal reforms like computerization of customs procedures. Finally, changes in determinants of corruption, such as levels of taxation, have themselves depended upon broader political changes in each of the two countries.

48. Court, J. *et al.* 1999. *Bureaucratic structure and performance: first Africa Survey results.* Tokyo: United Nations University.

This paper presents the results of a survey held on incentives and structures of African bureaucracies. The authors start by studying

the evidence on bureaucratic structure across Africa. They find quite large differences in structure and performance between countries in the region and also between Africa and other regions of the world. Secondly, they incorporate the African data into the sample of developing countries, which allows them to estimate whether meritocratic bureaucracies perform better, have lower corruption and higher efficiency in their service delivery and provide a better framework for the private sector. They find that the African countries are described reasonably well by the same incentive structure as other countries. Better performance appears to be associated with greater power and autonomy of agencies to formulate policies, good career opportunities in the public sector, good pay of public servants and little shifting between public and private employment.

49. Riley, S.P. 1999. "Petty corruption and development". In: *Development in Practice. Vol. 9, No. 1 & 2* (double issue)

Using the findings of the 1996 Presidential Commission on Corruption in Tanzania, the author emphasizes the impact petty corruption, especially bribery, has on poor populations. He proposes that international organizations recognize that controlling corruption should be part of poverty-reduction strategies, and needs to be tackled by increasing the political literacy of the affected populations - empowering citizens to complain about corruption.

50. Larbi, G. 2001. "Assessing infrastructure for managing ethics in the public service in Ethiopia: challenges and lessons for reformers". In: *International Review of Administration Sciences (IRAS), Vol. 67, No. 2*. London: SAGE Publications.

This article reports on the findings of an assessment of the state of ethics infrastructure in Ethiopia. It shows that ethics have

become an integral part of civil service reform in Ethiopia. This is based on recognition by the government that reforms in the civil service may be undermined unless there are complementary, investigative and preventive measures against corruption and other unethical practices. Larbi highlights in the article that the assessment has revealed a useful exercise to inform both the content and process of reforms. It has thus provided information on institutional constraints and capacity gaps on which reformers need to focus. These include broadening and sustaining support and commitment beyond the political leadership; strengthening the capacity of law enforcement agencies; improving accountability mechanisms; improving human resource management and performance; putting in place workable codes of ethics; improving public service conditions within affordable limits; and creating a favourable environment for civil society organizations to operate as countervailing forces for accountability by public officials.

51. Reinikka, R.; Collier, P. (edited by). 2001. "Recovery in service delivery: evidence from schools and health centers". In: *Uganda's Recovery. The Role of Farms, Firms, and Government* (Chapter 11). Washington: World Bank.

In this chapter, Reinikka demonstrates that increasing public access to information has reduced inefficiency and corruption in Uganda. The survey from which her conclusions are drawn shows that budget allocations matter little when institutions are weak: at most, 20 per cent of the intended non-salary public spending on primary education reached schools during the period under review. The author describes how, in response, the government has taken steps to improve performance by increasing the flow of information within the system. A major breakthrough occurred when newspapers and the radio regularly announced the transfer

of public funds to districts, and posted this information on education spending at schools. A follow-up survey in 1999 shows that as a result, input flow to the schools has improved dramatically since 1995. Schools now receive more than 90 per cent of the non-wage funding released by the central government.

Asia

52. Preparatory Committee, Professional Code for Educational Workers (compiled by). 1990. *Code for the Education Profession of Hong Kong.*

    This document includes a preamble to the Code for the Education Profession in Hong Kong, which was adopted in 1990, the Code itself (which integrates commitment of the profession, commitment to students, to colleagues, to employer, to parents/guardians and to the community), the Rights to the Education Profession as well as some recommendations for their actual implementation.

53. Roy, R. 1996. "State failure in India: political-fiscal implications of the black economy". In: *IDS Bulletin, Vol. 27, No. 2* (special issue on "Liberalization and the new corruption"). Brighton: IDS.

    The underground or 'black' economy has been a source of considerable concern to Indian public policy analysts since the mid-1960s. In this article, authors argue that the black economy played a critical role in the softening of government budget constraints in the 1980s. It reflects a decline in the fiscal surplus accessible to the state. The origins and disposition of black income are traceable, it is argued, to petty-bourgeois groups rather than to direct 'corruption' of the type identified in the rent-seeking literature.

54. Sobhan, R. 1998. *How bad governance impedes poverty alleviation in Bangladesh.* Produced as part of the research programme on Good Governance and Poverty Alleviation. OECD Development Centre. Technical Papers, No. 143. Paris: OECD.

In 1995/96, 47.5 per cent of the population of Bangladesh were still living below the poverty line. This paper argues that the persistence of poverty in Bangladesh originates less in the lack of resources than in the failures of governance. These failures consist of a lack of a developmental vision, absence of commitment, and weak capacities at the administrative, technical and political levels. As a corollary of these failures, different areas of policy-making have been appropriated by special-interest groups pursuing sectional concerns at the expense of a set of national goals. Under these circumstances, those programmes aiming at poverty reduction suffered from rent seeking at various levels. This has been compounded by the absence of accountability of public servants either to their superiors or to the community they are meant to serve. The report concludes that better results could have been achieved through improved governance and bypassing those elements of state power which stand in the way of serving the poor.

55. Speville, B. De. 1998. *Hong Kong: policy initiatives against corruption.* Development Centre Studies. Paris: OECD.

Corruption is an enemy so elusive that the temptation to accept it as a necessary evil is a strong one. Yet, the experience of Hong Kong shows that corruption can be successfully tackled, even if it cannot be definitively defeated. This book presents the option adopted by the Hong Kong authorities to establish an independent commission against corruption. In a relatively short time, in the face of a deeply-rooted and widespread corruption problem, the

commission succeeded in reducing the scope of corruption. In particular, the author – namely, the former head of the Hong Kong Independent Commission Against Corruption –, demonstrates how the police force and other disciplined services were won back from illegality and had the confidence of the population restored in them.

56. Landell-Mills, P. 1999."Mobilizing civil society to fight corruption in Bangladesh". In: *PREMnote, No. 30.* Washington: World Bank.

A successful anti-corruption strategy must have a free press to voice public opinion and report cases of corruption, an effective and politically neutral mechanism to investigate and prosecute corruption, and a reliable judicial process to punish wrongdoing when it is proved. It is rare to find all these elements in a developing country without considerable public pressure, governments are unlikely to foster the transparency and accountability needed to curb malfeasance by public officials. Consequently there is a major role for civil society organizations to campaign for such reforms. This is the mission of the national Chapters of Transparency International. This Note discusses the crucial role played by the Bangladesh Chapter of Transparency International in pressing for the implementation of corruption reform, publicizing well-researched facts about corruption, and lobbying for additional measures.

57. Asian Development Bank-OECD. 2001. *Progress in the fight against corruption in Asia and the Pacific.* ADB-OECD Conference on Combating Corruption in the Asia and Pacific region, Seoul (Korea), December 2000. Conference Papers and Proceedings.

This book assembles the papers presented during the Joint ADB-OECD Conference on Combating Corruption in the Asia and Pacific region held in Seoul, Korea in December 2000. The Seoul

conference identified priorities for a successful fight against corruption, including promoting good governance through legal, institutional, and administrative reforms; strengthening the rule of law; promoting integrity in business operations; and developing proactive strategies to promote citizens' participation in anti-corruption efforts. Against this background, this publication provides a review of successful anti-corruption strategies already in place and explores and analyzes new approaches. Moreover, it aims to foster the sharing of information and experience and to strengthen co-ordination and co-operation among key players in the fight against corruption.

58. Mukherjee, R. 2001. "Bangladesh. The experience and perceptions of public officials". In: *World Bank Technical Paper, No. 507*. Washington: World Bank.

This report summarizes the responses of Bangladeshi Class I (highest level) public-sector officials to a survey seeking opinions on a number of civil service issues, from personnel management practices to rewards and disciplinary actions, and from employees' sources of income to the budget environment and procurement processes. Survey results show instances in Bangladesh's civil service where professional conduct is perceived to be sacrificed at the expense of personal and political concerns. Surveyed officials express a concern over patronage appointments in the recruitment of Class III and IV staff and unfavourable postings and transfers at the higher level. Corruption, insufficient budgetary allocation, and unpredictable budgets are identified as key impediments to achieving organizational objectives. The analysis shows that reduced interference by politicians from outside and within the organizations, less micro-management by very senior civil servants and merit-based recruitment to Class I jobs will be most effective in reducing the perception of pervasive corruption.

59. Widmaln, S. 2001. "Decentralization and development: the effects of the devolution of power on education in India". In: *Education – a Way out of Poverty*. Melin, M. (editor). 2002. New Education Division Documents No. 12. Stockholm: Department for Democracy and Social Development, DESO. Education Division. Swedish International Development Co-operation Agency. Reprinted from the Madhya Pradesh Journal of Social Science, Vol. 6, No. 2.

    This article examines some factors that may determine the different outcomes of decentralization and, in particular, factors that are important when reforms manage to improve democratic and governance performance in spite of a hostile or harsh institutional environment. The specific case studied is how the *panchayat* reforms have affected one of the biggest problems of public schools in India – personnel absenteeism, often caused by the fact that publicly employed personnel are neglecting their duties to work for private institutions. This played a crucial role in making education and health services more effective following the giving of more power to local democratic governing bodies in the decentralization schemes, and the first findings from a pilot study carried out in the Indian state of Madhya Pradesh in 2002 is presented.

Latin America

60. González de Asis, M. 2000. "Reducing corruption: lessons from Venezuela". In: *PREMnote, No. 39*. Washington: World Bank.

    A recent World Bank programme in Campo Elias, Venezuela, used an innovative and effective approach to build participatory institutional frameworks and to apply best practices in public policy-making. As a result, corruption has fallen and services are

delivered more efficiently. The programme, which involved the World Bank Institute, the municipal government, and civil society, started with a survey of customer perceptions, which concluded that the two main factors affecting perceptions of corruption were: inefficient, excessively complex, and unpredictable administrative procedures and lack of public information and accountability. The results of the survey were then presented and discussed at a workshop, which helped identify barriers to reform as well as available resources for curbing corruption. On this basis, internal monitoring techniques were introduced, including public budget hearings, a computerized public works monitoring system, and local workshops. The author concludes on the importance of participatory methodology to increase transparency, credibility and capacity to address municipal problems.

Countries in transition

61. Anderson, J. *et al.* 2001. *Diagnostic surveys of corruption in Romania*. Analysis prepared by the World Bank at the request of the Government of Romania. Washington: World Bank.

Recognizing the need for information on the profile of corruption, the Government of Romania requested the preparation of this diagnostic study of corruption. Based on the opinions and experiences of more than 1 7000 households, enterprises and public officials, the report summarizes the results of three large-scale governance and corruption surveys undertaken in 2000 by the World Bank and Management Systems International. The outcomes of the surveys underscore both the importance of addressing corruption in Romania and the complexity of the task. Firms as well as households thus tell about frequent unofficial

payments for a wide variety of state services, and public officials likewise state that many forms of corruption are present in state structures. The report then examines the level of support for various types of reforms and suggests key elements of a comprehensive strategy. It concludes by highlighting that reducing corruption is more than just a matter of law enforcement – it requires institutional reforms and societal changes as well.

62. Zakharchenko, O.; Holdar, G.G. 2001. *The role of citizen engagement in civil society*. International Centre for Policy Studies.

There is a growing belief that the success of almost all the approaches of citizen participation depends on how well citizens and users of services are informed about their government's performance. This article presents the experience developed in this area by Ukraine, through the 'People's Voice Project', which is a three-year project that aims to strengthen the capacity of both citizen groups and officials to interact with each other in order to enhance the overall quality of governance in selected cities. It describes the mechanisms aimed at increasing public awareness and public education developed in this framework, as well as the advocacy and public consultation mechanisms put in place. It then summarizes the way participatory approaches, including public service delivery surveys, monitoring, advisory boards, citizen juries, civic journalism and NGO coalition building, have helped reinforce public accountability and transparency through monitoring and feedback generated by the public. The authors conclude on the need for Ukrainians to be educated about the participation process, as well as for local government officials to be educated about the role and importance of public participation in the policy-making process.

OECD countries

63. Gilman, S.C. 1994. "Ethics and education as a control measure of corruption". In: U. Berlinsky, Asher Fridberg, and Simcha Werner (Eds.), *Corruption in a changing world: comparisons, theories and control strategies.* Jerusalem: Chen Press (Moshe) Ltd.

    Recent studies have shown that one of the most important and effective ways to ensure that public servants act ethically is through education. Although education alone does not guarantee ethical behaviour, it eliminates some of the more obvious barriers to ethical behaviour, such as ignorance of the regulations, lack of peer support, and lack of managerial role models. The author enumerates the five goals of successful ethics training, namely to recognize the ethical implications of issues as they arise; to examine ethical dilemmas objectively; to correct unethical practices that may have previously been unrecognized or ignored; to handle diplomatically ethical dilemmas that could affect personal relationships; and to communicate the need for applying ethical principles at all levels of the organization. He then describes the training programme developed on this basis by the USA Federal Government, which includes an initial ethics orientation, annual ethics training and a written training plan. He concludes on the necessity to promote ethical behaviours among public officials, so that citizens can believe in the integrity of those responsible for carrying out the laws and, thus, recognize their legitimacy.

64. OECD. 1996. "Ethics in the public service. Current issues and practice". In: *Public Management Occasional Papers, No. 14.* Paris: OECD.

    OECD countries are concerned about declining confidence in government. This report examines how nine OECD countries,

namely: Australia, Finland, Mexico, the Netherlands, New Zealand, Norway, Portugal, the United Kingdom and the United States, are dealing with the management of ethics and conduct in the public service. It starts by analyzing the forces which have an impact on ethics and conduct, highlighting those which are driven by changing styles of public management. It then describes the tools and processes used to regulate undesirable conduct and to provide incentives for good conduct, defined as the 'ethics infrastructure'. It summarizes recent ethics-related initiatives in the nine participating countries and suggests trends and differences in approaches and strategies. It concludes with a discussion on the potential tensions between old-style public administration and new-style public management, which have implications for the management of ethics and conduct.

65. Dwyer, P.D. 1998. "Embezzlement at the University of California: an instructional case in employee fraud". In: *Issues in accounting education, Vol. 13, No. 4.*

This case introduces students to a common type of employee fraud and illustrates how the professional guidance applies in that situation. The case can be used to integrate coverage on the following audit topics: the auditor's consideration of the internal control structure; audit materiality; and the design of substantive audit tests. In addition, the case can be used to illustrate the limitations of certain routine audit procedures in terms of their usefulness in fraud detection and to introduce students to non-routine audit procedures that are most effective for fraud detection purposes. The case is primarily intended for use in an undergraduate-auditing course, but could also be used in connection with coverage of governmental auditing topics in either an advanced auditing course or a governmental accounting course.

66. Public Management Service. 1998. "Principles for managing ethics in the public sector. OECD recommendation". In: *PUMA Policy Brief, No. 4*. Paris: OECD.

Increased concern about decline of confidence in government and corruption has prompted governments to review their approaches to ethical conduct. In response to this challenge, the Public Management Committee agreed to a set of *Principles for Managing Ethics in the Public Service* to help countries review the institutions, systems and mechanisms they have for promoting public service ethics. These principles, which are listed in the document, identify the functions of guidance, management and control against which public ethics management systems can be checked. Among those 12 principles, one can mention the following: ethical guidance should be available to public servants; the decision-making process should be transparent and open to scrutiny; there should be clear guidelines for interaction between the public and the private sectors. All of them draw on the experience of OECD countries, and reflect shared views of sound ethics management. They are intended to be an instrument for countries to adapt to national conditions.

67. OECD. 2000. *Trust in government. Ethics measures in OECD countries*. OECD Public Management Committee (PUMA). Paris: OECD.

Integrity has become the fundamental condition for governments to provide a trustworthy and effective framework for the economic and social life of their citizens. The institutions and mechanisms for promoting integrity are more and more considered as basic components of good governance. This report provides a comprehensive database of integrity measures used in 29 OECD countries and it also takes stock of common trends and

good practices. The first part of the report is analytical and aims to support the design of strategies in member countries. It does this by encouraging policy-makers to consider the experiences of other countries in a comparative way and by providing information on trends, models and concrete innovative solutions to assist organizational learning. The second part of the report presents the directly observable data on member countries' actions: regulations, institutions and procedures, and puts them into context by providing information on the surrounding political-administrative and social environments.

68. OECD. 2000. "The fight against bribery and corruption". In: *OECD Observer. Policy Brief*. Paris: OECD.

Since 1989, the OECD has played a leading role in the battle against international bribery and corruption. The fight gathered momentum in 1999 with the entry into force of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The overall purpose of this instrument is to prevent bribery in international business transactions by requiring countries to establish as a criminal offence the bribing of a foreign public official, and to have in place adequate sanctions and reliable means for detecting and enforcing the offence. This policy brief starts by giving the definition of what bribery is. It then describes how the OECD enforces the Convention and how its implementation is being monitored. It then gives some insights into how the integrity of public officials can be encouraged. It concludes with the role of the private sector and companies in the establishment of anti-corruption strategies. It refers in this respect to the adoption of codes of ethical conduct that include provisions concerning bribery and extortion between the private and the public sectors as well as between private companies.

69. Drew, K. 2001. *Cracking down on corrupt companies. A critical analysis of the EC's public procurement proposals.* Public Service International Research Unit (PSIRU), University of Greenwich.

Public procurement provides the main interface between the public and private sectors and is recognized as a major source of corruption. In recent years, tendering organizations have developed a raft of anti-corruption initiatives including those aimed at deterring private companies from engaging in corruption. Whilst current European Union (EU) public procurement law makes no such provisions, the European Commission's proposals for a new public procurement Directive, co-ordinating public service contracts, public supply contracts and public works, introduces the possibility of excluding companies found guilty of corruption from tendering for public procurement contracts in the EU. The Commission's proposals have proved controversial for reasons economic, legal and political. Drew makes in this article a number of recommendations so that the Commission's anti-corruption measures can have an impact on the behaviour of tendering companies across the EU, and which, as she stated, should be underpinned by an effective information exchange system; should provide for a high level of harmonization between Member States; and should limit the possibilities for companies to escape being penalized.

70. Skelcher, C.; Snape, S. 2001. "Ethics and local councillors: modernizing standards of conduct". In: *Parliamentary Affairs. A Journal of Comparative Politics. Vol. 54, No. 1.* Oxford University Press.

The question of ethics has emerged as a major theme in government and public management. It reflects a critical assessment of the impact of market-inspired reforms on the public sector during the past two decades and the emergence of a new formulation of

the relationship between government and civil society. This article traces the resurgence of interest in ethical conduct in the UK and examines its implications, with particular reference to local government. The discussion of the new ethical framework for councillors concentrates on the way in which self-regulation by local authorities has been undertaken and the rationale of its replacement by a stronger external regime. The potential impact on standards of conduct of the executive systems of decision-making being introduced in local government is considered, and especially the potential for a greater concentration of political power and reduced public rights of access to the decision-making process. The conclusion identifies a contradiction between the desire, on the one hand, to strengthen standards of conduct and, on the other, to increase the efficiency of the local decision-making process.

71. SPAI Steering Group. 2001. *Anti-corruption measures in South-eastern Europe. Country reviews and priorities for reform.* Stability Pact Anti-corruption Initiative (SPAI). Strasbourg: Council of Europe Publishing.

The Stability Pact Anti-corruption Initiative (SPAI), adopted in Sarajevo in February 2000, was born out of the conviction that corruption is a serious threat to the development and stability of South-eastern European countries. This publication provides policy-makers, legislators, businesses, civil society organizations and other stakeholders with an assessment of anti-corruption measures in place and under way in the South-eastern European countries participating in the SPAI. The report analyzes the needs of these countries and the gaps in terms of their legal and institutional framework. To end, it proposes specific targets for reform under the four pillars of action of the SPAI, consisting in: addressing issues ranging from the adoption and implementation

of international instruments containing anti-corruption provisions, to promotion of good governance, strengthening the rule of the law, promoting transparency and integrity in business operations and developing an active civil society.

United Nations organizations, donors, banks and NGOs

72. USAID. 1997. *A handbook on fighting corruption.* Washington: USAID.

This handbook presents a framework to assist USAID missions develop strategic responses to public corruption. The framework sets out root causes of corruption, identifies a range of institutional and societal reforms to address them, and introduces a methodology for selecting among these measures. Firstly, it lays out the development problems posed by corruption by showing that corruption arises from institutional attributes of the state and societal attitudes towards formal political processes. Secondly, it provides a framework for developing responses to these problems. Possible responses include institutional reforms to limit authority, improve accountability, and realign incentives, as well as societal reforms to change attitudes and mobilize political will for sustained anti-corruption interventions. This framework includes a methodology for assessing the nature of the corruption problem and the opportunities and constraints for addressing it. Finally, the handbook provides an overview of USAID anti-corruption efforts to date and the activities of other donors and organizations working in anti-corruption.

73. Asian Development Bank. 1998. *Anti-corruption policy.* Manila: ADB.

This paper outlines the Bank's position on anti-corruption issues

and recommends a number of concrete measures for establishing the Bank's anti-corruption policy, whose main objective is to reduce the burden that widespread, systemic corruption exacts upon the governments and economies of the region. It is structured according to three objectives defining the Bank's approach, namely: supporting competitive markets and efficient, effective, accountable, and transparent public administration as part of the Bank's broader work on good governance and capacity building; supporting promising anti-corruption efforts on a case-by-case basis and improving the quality of the dialogue with member countries on a range of governance issues, including corruption; and ensuring that Bank projects and staff adhere to the highest ethical standards. The last section concludes by highlighting specific next steps for the Bank to take in implementing the policy thus described.

74. NORAD. 1999. *NORAD anti-corruption action plan 2000-2001.* Oslo: NORAD.

Corruption is a widespread phenomenon in several Norwegian partner countries. The NORAD Anti-Corruption Action Plan 2000-2001 has been developed following the Norwegian offensive launched against corruption. Its main goal is to strengthen the ability to prevent and curb corruption in Norway's partner countries, and in the Norwegian aid administration in order to improve the effectiveness of aid and to reduce poverty. The objectives of the action plan are to intensify Norwegian assistance to good governance and the fight against corruption in our partner countries; increase the awareness and knowledge in the aid administration on how to prevent corruption in all Norwegian-funded development co-operation; establish mechanisms for

systematic collection, analysis and dissemination of experiences drawn from efforts at preventing and combating corruption.

75. The World Bank. 1997. *World Development Report 1997. The state in a changing world.* Washington: World Bank. Oxford University Press.

The 1997 World Development Report is devoted to the role and effectiveness of the state. It looks at what the state should do, how it should do it, and how it can do it better in a rapidly changing world. Chapter 6, titled: "Restraining arbitrary state action and corruption", advocates incentives for public officials to perform better (improving their pay, reforming the civil service, restraining political patronage, establishing effective rules), and steps to keep arbitrary actions in check through increased competition, and citizen partnerships with the private sector.

76. The World Bank. 2000. *Helping countries combat corruption. Progress at the World Bank since 1997.* Operational Core Services (OCS). Poverty Reduction and Economic Management (PREM) Network. Washington: World Bank.

This report puts into motion a chain of events that fundamentally reforms the way the Bank thinks about, and acts against, corruption. In its first part, it thus details the progress that the Bank has made building each of the four pillars of its anti-corruption strategy, namely minimizing fraud and corruption in bank-financed projects; helping countries that request assistance; mainstreaming corruption considerations into the World Bank's operational work; and supporting international efforts to address corruption. Its second part includes a list of Bank operations, which are explicitly targeted at corruption, improvements in governance, and/or institutional reform in the public sector. The

list is organized by region, country, and categories of programmes; it makes a distinction between four main categories of operations: grant-based assistance to reduce corruption; economic and sector work and mission reports on corruption; in-country workshops and surveys on corruption; and, finally, governance-related lending.

77. Transparency International. 2000. *Transparency International Annual Report.* Berlin: Transparency International.

This annual report from Transparency International (TI) starts by addressing the international developments in the fight against corruption. It then presents some of the major tools developed and implemented by the international association so as to help build knowledge in this field, in particular the TI Source Book, the CORIS database, or the Transparency International Integrity Pact. It then highlights some noteworthy cases of the fight against corruption, involving civil-society organizations. It ends by providing useful empirical evidence of corruption, including TI's own Corruption Perceptions Index (CPI) and Bribe Payers Index (BPI). The list of its 75 national Chapters is given in the appendix.

78. UNDP. 2000. *Anti-corruption initiatives of UNDP.* New York: UNDP.

This document provides an overview of UNDP's action in the area of anti-corruption, whose main goal is to facilitate civil society and private-sector involvement in policy development and in public-sector management so as to improve transparency and accountability of economic and financial management processes. It then presents PACT'S (Programme for Accountability and Transparency) most significant contributions in the fight against corruption since 1997, including: the production of information, resource and advocacy materials; the development of the UNDP

corporate position paper on "Fighting corruption to improve governance"; the conduct of research and development and innovative initiatives; facilitating regional and global policy dialogue; facilitating national capacity building in selected pilot countries (with the preparation of national action plans to prevent and control corruption in Mongolia, Yemen, Jordan and Burundi); and the setting up of a set of mission guidelines for undertaking assessments of a country's public financial system. The second part of the document summarizes the main activities implemented by UNDP in the fight against corruption, both at regional and at country levels.

79. Asian Development Bank. 2000. *Description and answers to frequently asked questions.* ADB's Anti-corruption Unit. Manila: ADB.

This document, produced by ADB's Anti-corruption Unit, summarizes the main objectives of ADB in combating corruption, namely to support competitive markets and efficient, effective, accountable and transparent public administration; support promising anti-corruption efforts on a case-by-case basis and improve the quality of the ADB's dialogue with its developing member countries on a range of governance issues, including corruption; and ensure that the ADB's projects and staff adhere to the highest ethical standards. It then gives answers to some frequently asked questions regarding the corruption issue and the approach and role of the ADB in this area, such as: Is corruption really all bad for development? Why is the Bank addressing this problem only now? Doesn't the Bank's anti-corruption policy involve making value judgements that conflict with local norms and practices? Will Bank lending to countries be affected if corruption is found to be a fundamental problem?

80. Inter-American Development Bank. 2001. *IDB's new strategy to strengthen efforts to combat corruption in the Americas.*

This document identifies the necessary measures that will enable the Inter-American Development Bank to strengthen and further integrate its current actions against corruption. It provides a systematic framework to guide the Institution's action in combating corruption. The Bank reiterates its commitment to address corruption in a comprehensive fashion, dealing with three separate but closely linked areas: ensuring that Bank staff act in accordance with the highest levels of integrity and that the Institution's internal policies and procedures are committed to this goal; ensuring that activities financed by the Bank are free of fraud and corruption and executed in a proper control environment; and supporting programmes that will help the borrowing member countries of the Bank to strengthen good governance, enforce the rule of law and combat corruption.

APPENDIX I. COMMENTS ON CORRUPTION

Outline of the opening speech made *by*

Gudmund Hernes, Director, IIEP

The Norwegian ideal

- The two inkwells
- A universal phenomenon
- It affects all spheres of political and social life
  ... including education, and it takes on many forms

Why is corruption important?

- It tarnishes political decisions
- It creates inequity
- It maintains and increases social inequality
- It hampers development

Why the IIEP's interest?

- Undermines 'Education for All'
- Multiplier effect: capacity building versus capacity erosion
- Planners and managers must pay attention
- Education and ethics

Corruption will increasingly undermine development aid

- Changing policies of development agencies
- Changing response to development needs
  - November 27, 2001: Denmark appointed its first Minister of Refugees, Immigrants and Integration

The changing demography

- The double whammy of ageing
- The increasing proportion of pensioners
- The increasing costs of health
  - 'Syke mor' versus corrupt regimes

'Bøygen'

- Politics: the art of the possible
- Corruption: the art of the impossible?
  - 'Everybody knows'
  - Everybody implicated
  - Fatalism
  - Powerlessness
  - ➡ Tacit allies?

Cambodian study

- 84%: Corruption a normal way of doing things
- 58%: It does not make things run smoothly
- 90%: It hinders national development
- 98%: Ending it is important
  - January/May 1998: 1513 sample

Cambodian study 2

- Younger people: lack of concern
- Younger people: lack of knowledge
  - Disconcerting
  - Need for counter-corruption education

Cambodian study 3

- Civil servants
- Widens rich/poor gap
- Reduces popular confidence
- Hurts the national economy
- ... but accept much more 'greasing the wheel'

Can something be done?

What perspective?

- The ethics of incorruptibility
- The classical problem of public administration: Max Weber
  - How to create a motivation system to promote the overall goals of the system

    E.g. open contracts

    Meetings recorded

    Disclosure of conflicts of interest

Perspective...

Principal ➡ agent-theory

- Agent takes as his/her interest that of the principal
- The agent may have interests of his/her own, possibly some that are in conflict with the principal's
- May bias choices and divert the principal's resources

Tasks

- Map types
- Identify effective counter-measures, e.g.:
  - Display budget on school-door
  - Implement fool-proof university examinations e.g. in Kazakhstan

- Move to capacity building:
  - Training
  - Influence institutional routines and culture

Hope for the future?

- On the side of the people
- On the side of development and fighting poverty
- Allies in the 'reserve army'

APPENDIX II. LIST OF PARTICIPANTS

Dato' ASIAH bt. ABU SAMAH
Chairman
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SELANGOR
Malaysia

Mr Daniel DOMMEL
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PARIS
France

Mr Fredrik GALTUNG
Head of Research
Transparency International, TI
(London Office)
LONDON
United Kingdom

Mr Lorenzo GÓMEZ-MORÍN
Vice-Minister of Basic Education
MEXICO D.F.
Mexico

Ms Irene HORS
Administrator (Analysis)
Anti-Corruption Division
Directorate for Financial, Fiscal and Enterprise Affairs
Organisation for Economic Co-operation and Development (OECD)
PARIS
France

Professor CHENG Kai-Ming
Independent Commission Against Corruption (ICAC)
Chair of Education and Pro-Vice Chancellor
University of Hong Kong
Vice-Chancellor's Office
HONG KONG

Mr Georges A. LARBI
International Development Department
School of Public Policy
J.G. Smith Building
The University of Birmingham
BIRMINGHAM
United Kingdom

Ms Claire LEWIS
Audit specialist (financial investigator)
Anti-corruption Unit
Asian Development Bank, ADB
MANILA
Philippines

Mr Santosh MEHROTRA
UNICEF Innocenti Research Centre
FLORENCE
Italy

Ms Ritva REINIKKA
Research Manager
Development Research Group
The World Bank
WASHINGTON, D.C.
USA

180

Mr Richard SACK
Former ADEA Executive Secretary
Association for the Development of
Education in Africa, ADEA
PARIS
France

Mr Mahieddine SAIDI
Consultant, Expert in Organizational
and Management Audits
PARIS
France

Mr Juan Carlos TEDESCO
Head
IIEP-Buenos Aires
BUENOS AIRES
Argentina

IIEP representatives

Gudmund HERNES, Director
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Ambassador Extraordinary and Plenipotentiary of Tunisia to France and Permanent Delegate of Tunisia to UNESCO.

Philippe Mehaut (France)
Deputy Director, Centre d'études et de recherches sur les qualifications, Marseille, France.

Teboho Moja (South Africa)
Professor of Higher Education, New York University, New York, USA.

Tetichi Sato (Japan)
Special Adviser to the Minister of Education, Culture, Sports, Science and Technology, Tokyo, Japan.

Tuomas Takala (Finland)
Professor, University of Tampere, Tampere, Finland.

Inquiries about the Institute should be addressed to:
The Office of the Director, International Institute for Educational Planning,
7-9 rue Eugène-Delacroix, 75116 Paris, France.

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The book

This book summarizes the findings of a research workshop organized by the IIEP on 'Ethics and corruption in education'. It makes a strong case for addressing the issue of corruption in education, based on the experiences of the various participants (representatives of countries and agencies). The report discusses the multiple definitions of corruption, the question of the appropriate conceptual framework and methodologies for studying the issue, and proposes a set of activities to be undertaken within IIEP's new research programme on the theme of corruption in education. It concludes with the findings of a survey involving some 33 institutions, providing a graphic illustration of the magnitude of the problem, and the variety of approaches being used to tackle it.

Ethics and corruption in education

The authors

***Mr Jacques Hallak**, former Director of IIEP and UNESCO Assistant Director-General for education, is author and co-author of numerous articles and books dealing with different aspects of educational planning, economics of education, educational management, and international co-operation in education.*

***Ms Muriel Poisson**, Programme Specialist at the IIEP, is responsible for research and training activities relating to basic education for all. At the same time, she is in charge of the new IIEP programme on 'Ethics and corruption in education'. She has authored and co-authored a number of documents published by the IIEP.*

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184

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